

Caffeine Free
This is Refreshment

THE JERUSALEM POST

A little reminder to call the States.
From Israel, just dial:
177-100-2727
AT&T

VOLUME LXXI NUMBER 19368

MONDAY, SEPTEMBER 24, 1996 • ELUL 18, 5756 • 19 RABIA 2, 1417

NIS 4.50 (Eilat NIS 3.80)

INSIDE EIGHT PAGES FROM SUNDAY'S
The New York Times
WEEKLY REVIEW

US skeptical about Iraqi withdrawal reports
BAT SHEVA TSUR and news agencies

IRAQ ordered its troops yesterday to withdraw from Irbil, the main city in the US-protected Kurdish "safe haven" in northern Iraq. But there was no sign of a pullout in the city, and the Iraqi army and an allied Kurdish faction appeared in full control.

Iraq captured the city on Saturday in Saddam Hussein's largest military action since the end of the Gulf War in 1991. The attack sparked alarm in Washington, and President Clinton put US troops in the Gulf region on high alert.

After a Cabinet meeting in Baghdad late Sunday, the Iraqi defense minister, Lt. Gen. Sultan Hashim Ahmed, said Saddam had ordered him to withdraw all his troops from Irbil.

There was no immediate sign that this had taken place. Iraqi officials had been saying since Saturday that the troops would withdraw soon.

White House spokesman Mike McCurry was skeptical about the Iraqi statement.

According to earlier reports, a column of Iraqi T-72 tanks was on the move deeper into rebel Kurdish territory yesterday, and apparently was headed for the stronghold of Sulaimaniya, Iraqi opposition forces said, citing reports from the region.

"There is no withdrawal. This is an Iraqi invasion of Iraqi Kurdistan," a spokesman for the umbrella opposition Iraqi National Congress (INC) said from London. "These are Iraqi tanks, with Iraqi soldiers. This is not inter-Kurdish fighting."

He said the objective appeared (Continued on Page 2)

Israel beats Bulgaria 2-1 in World Cup qualifier

DEREK FATTAL

ISRAEL'S national soccer side scored one of its best-ever victories in official international competition last night when it beat Bulgaria 2-1 in a World Cup qualifying match at the National Stadium, Ramat Gan.

The Israelis showed true grit and determination in their comeback win, after trailing 1-0 from a Krassimir Balakov penalty to Bulgaria in the second minute. Following that early lapse, the host side played as equals against their heavily favored opponents and even managed to dominate the game and dictate the pace.

Israel equalized through Ronen Harazi in the 35th minute and took the lead with a second-half penalty taken by captain Tal Benin in the 62nd minute.

Israel are grouped with Russia, Bulgaria, Cyprus and Luxembourg in European qualifying Group 5, from which only one team is assured of qualifying for the World Cup finals in France in 1998. Full story Page 10

PM-Arafat meeting imminent



Foreign Minister David Levy (center), Egyptian President Hosni Mubarak (left), and Egyptian Foreign Minister Amr Moussa meet at Ras-al-Tin Palace in Alexandria yesterday to discuss the peace process.

Negotiators said close to reaching understanding

DAVID MAKOVSKY, DAVID RUDGE, and news agencies

A STRING of public statements by senior Israeli officials yesterday made it clear that a meeting between Prime Minister Binyamin Netanyahu and Palestinian Authority Chairman Yasser Arafat would immediately follow the final version of written understandings between the government and the Palestinians.

Israeli and Palestinian negotiators continued to work on the text of those understandings late last night. Sources close to Arafat said that he wanted the talks to continue non-stop until the understandings are reached.

In Alexandria, after a meeting with Egyptian officials, Foreign Minister David Levy said he expected a "breakthrough" last night.

"I hope that an agreement will be reached between the Israeli government and the Palestinian Authority today," Levy said after a meeting with President Hosni Mubarak. "We've done very intensive work which was not publicized. We've had very serious discussions on all subjects with most senior officials within the Palestinian Authority."

Levy told reporters that he hoped a Netanyahu-Arafat meeting would occur as a "natural consequence" of the secret talks.

Defense Minister Yitzhak Mordechai indicated to reporters that he expects Netanyahu to meet Arafat "within days."

Netanyahu confirmed he would meet with Arafat, but said the timing was contingent on "developments, and not dates."

As The Jerusalem Post first disclosed yesterday, Netanyahu's foreign policy adviser Dore Gold and Arafat's deputy Mahmoud Abbas have been holding quiet talks in Tel Aviv since August 13 in bid to end the impasse in the peace talks.

Internal Security Minister Avigdor Kahalani, meanwhile, hinted that Hamas spiritual leader Sheikh Ahmed Yassin may be released in the near future.

"I think news on this issue will be heard soon," Kahalani told reporters during a visit to the North.

Yassin, 61, a quadriplegic, was sentenced to life imprisonment for hostile activities in 1989. He health is bad and some security experts have argued it would be better for him to be released rather than risk him dying in jail. Last week, Yassin was briefly transferred from Ramle Prison to Assaf Harofeh Hospital with a mild case of pneumonia. He was later returned to the jail.

The written understandings being negotiated include a Palestinian agreement to make "mutual" changes in plans for the IDF redeployment in Hebron, paving the way for talks on the details to begin.

Egyptian Foreign Minister Amr Moussa said yesterday that Egypt would cancel the regional economic summit scheduled for Cairo in November if Israel did not pullback from Hebron by then.

"I cannot imagine that the economic summit would take place (Continued on Page 2)

How the secret talks unfolded

DAVID MAKOVSKY

WHEN Prime Minister Binyamin Netanyahu ushered Terje Larsen, UN coordinator for the territories, into his office on August 14, he sought to break the ice with the person most responsible for the 1993 secret Oslo talks that he had railed against while in the opposition.

"Mr. Larsen, I realize this is not the first time that you have been to this office," a source said Netanyahu joked, alluding to the Norwegian's close ties with Yitzhak Rabin and Shimon Peres.

It seems early suspicion has given way to comfort.

Netanyahu's aides began calling Larsen "the

tzaddik" (righteous one), reflecting the Norwegian's genuine interest in making peace between Israelis and Palestinians and making sure that the Oslo agreement which he facilitated would not collapse. Larsen, who is based in Gaza, offered something to the Netanyahu government which it lacked: a longstanding relationship with Palestinian Authority Chairman Yasser Arafat and his top deputies.

Moreover, Larsen did not represent a superpower and thus constituted no threat to Netanyahu. He could not apply any pressure if

Israel's views were not to his liking. Upon the recommendation of his diplomatic adviser Dore Gold, Netanyahu agreed to allow Larsen and his wife, diplomat Mona Juul, to host a series of quiet, top-level meetings in a bid to reach an agreement with Arafat.

Arafat liked the idea that he would have his own channel to Netanyahu. He would joke with Larsen about "your new friend Netanyahu."

Interestingly, Arafat was so protective of Larsen's relationship with Netanyahu that, for tactical purposes, he advised Larsen not to (Continued on Page 3)

Kahalani: Israel should find a way to leave south Lebanon

DAVID RUDGE

ISRAEL should try to find a way to leave south Lebanon, Internal Security Minister Avigdor Kahalani said yesterday during a visit to the North.

Kahalani, who went to an observation point overlooking Lebanon, told reporters that the time had come to re-examine the conception of the security zone.

"In principle, I believe that Israel should try to find a way to leave south Lebanon. I think that pulling out of south Lebanon would be healthy for the Israeli people," said Kahalani.

"However, we have to find a way in which there will be an international force in the region which would safeguard Israel's interests."

Kahalani stressed that the IDF's presence in the security zone does not prevent Katyusha rocket attacks on the Galilee, and that it is the role of the border fence to stop infiltration attempts.

"I believe that the security zone should be populated by an international force, with us outside," he said.

In the meantime, Kahalani said the methods used by the IDF to combat attacks by gunmen are the best possible under the circumstances.

"I would certainly not recommend going in with ground forces or expanding the zone, but I do recommend minimizing the cause of friction in this area, while protecting the North and safeguarding IDF soldiers."

"Most soldiers are being killed on the way to positions and not inside them, which shows that the conception has to be re-examined," he said.

Kahalani also revealed that a

quarter of Lebanon's drug production is finding its way into Israel. "This is a very large amount. About 90 percent of the drugs coming into Israel are coming from across the Lebanese border. We have to find a way to block this route," said Kahalani.

Meanwhile, the five-nation Grapes of Wrath monitoring committee met at UNIFIL's headquarters in Nakoura, to hear a complaint lodged by Israel over the wounding of two Lebanese civilians by Hizbullah gunfire last week.

The incident occurred following a clash between Hizbullah gunmen and a Givati Brigade unit near the IDF's Karkum position last Thursday during which St.-Sgt. Amitai Almadoon was killed.

Hizbullah gunmen fired mortars, apparently to help cover the retreat of the squad that had been involved in the firefight. A number of mortar rounds hit Shihneen village, wounding the two.

The understandings ban attacks on civilians on both sides of the international border.

The monitoring committee, composed of representatives from the US, France, Israel, Syria, and Lebanon, reiterated the importance of protecting the lives of civilians and its commitment to upholding the Grapes of Wrath understandings.

Brig.-Gen. David Tzur, head of Israel's delegation, said the announcement could be viewed as showing understanding of Israel's complaint. He stressed, however, that the main importance of the committee was to try and prevent an escalation in south Lebanon.



Now's the time to enjoy a profitable vacation.

Israel is ripe with investment opportunities and Bank Hapoalim is geared to help you take advantage of this. For a limited time only, Bank Hapoalim is also offering special benefits to the astute investor:

- * 1/4% higher interest on new accounts
- * preferred exchange rates on financial investments
- * free gifts.

Bank Hapoalim provides a full spectrum of investment instruments ranging from tax-free and confidential foreign currency deposits to Israeli mutual funds and securities. You may choose sophisticated private banking, as well as portfolio management and investment banking.



Foreign currency loans for the purchase of property are also available.

With assets of over \$44 billion, Bank Hapoalim offers experience and security to the investor in Israel.

Stop by an Investment Center for Tourists and Foreign Residents or any Bank Hapoalim branch in Israel and you too can benefit from this perfect timing.

Foreign Resident and Tourist Department: 104 Hayarkon St., Tel Aviv. Tel: 03-5200606.
Investment Centers for Tourists and Foreign Residents: Tel Aviv: 50 Rothschild Blvd., 50 Dizengoff St., 76 Ibn Gvirol, 4 Weizmann St., 19 Ben Yehuda St., Jerusalem: 16 King George St., Netanya: 11 Kikar Ha'atzmaut, 32 Herzl St., Ashdod: 9 Sharvei Zion St., 3 Haim Moshe Shapira Bat Yam: 71 Ha'atzmaut Blvd., Givatayim: 20 Weizmann St., Kfar Shmaryahu: 2 Hahoresh St., Nahariya: 37 Ga'aton Blvd., Ramat Gan: 32 Bialik St., Rehovot: 179 Herzl St., Petach Tikva: 1 Hovevei Zion St., Haifa: 15 Horev St., 1 Pal Yam Blvd., Beersheva: 40 Ha'atzmaut St., Eilat: 3 Hativat Hanegev St., Raanana: 112 Ahuza St.,

B.T.C. PRIVATE AND GROUP TOURS TO JORDAN 1 to 4 Day Tours TO SINAI & EGYPT 1 to 10 Day Tours



Low turnout at Palestinian prayer protest

HAIM SHAPIRO and agencies

ONLY a few hundred Palestinian Christians answered Palestinian Authority Chairman Yasser Arafat's call to flock to the Church of the Holy Sepulchre yesterday for prayers of protest against Israeli policies.

Witnesses said there was no increase in the usual number of Palestinians trying to pass through IDF checkpoints.

Arafat called on Wednesday for Moslems to attend Friday prayers at Jerusalem's Al-Aksa Mosque and Christians to converge yesterday on the Church of the Holy Sepulchre. Police ringed Jerusalem on Friday, and Palestinians said barely 20,000 Moslems made it to the mosque complex, less than normal for Friday prayers. Yesterday security was still heavy, but bored soldiers were left leaning on their rifles in the mid-day heat in the Old City.

Faisal Husseini, the top PLO official in Jerusalem, dismissed media speculation that the low turnout reflected popular dissatisfaction with Arafat, who has

slammed Israel's decision to expand Jewish settlements in the West Bank.

"This call was not for all the Palestinian people," Husseini told reporters, after attending services at a Greek Orthodox chapel adjacent to the sacred Christian shrine. He said Arafat's call had been intended only for leaders of the Palestinian community in Jerusalem and that the PLO could have mobilized tens of thousands of protesters but had chosen not to escalate tensions.

Even before the event, some Christian leaders indicated that they were not happy with a politically motivated protest at the historic church. Metropolitan Timothy, secretary of the Greek Orthodox Patriarchate, said that the Church of the Holy Sepulchre should not be a place for political protest.

"There is no protest. The Church of the Holy Sepulchre, like all churches, is a place for prayer, not for political activity," he said. The pro-Israel International



Border policemen relax and spread out across a street near the Church of the Holy Sepulchre yesterday as two Palestinians pass through the barricade. (Reuters)

Christian Embassy said yesterday that countless biblical references confirmed that Jerusalem was

given, along with the Land of Israel, as an eternal inheritance to the Jewish People.

"Attempts by Palestinian liberation theologians to twist Scriptures to serve their political purposes

cannot change this reality," said ICE spokesman Jan Willen van der Hoeven.

Expert: US to take action if Saddam doesn't withdraw

DAVID RUDGE

THE US will have little choice but to take military action against Iraq if President Saddam Hussein does not withdraw his forces from the Kurdish safe haven in northern Iraq, according to Prof. Amatzia Baram, head of Haifa University's Middle East History department.

"It will not be an easy decision for President Bill Clinton, because he is so tied up with the election campaign," said Baram, in a telephone interview from the US, where he is writing a study on the current situation in Iraq for the Washington Institute for Near East Policy.

He insisted that Israel has no reason to fear becoming a target for Saddam Hussein at this stage, but warned that a situation could develop in which Israel might become involved.

"Saddam is busy with the Kurds and with the US and he doesn't have time for us. Furthermore, he is trying to prevent the Americans from using force and therefore he's trying to play it smart," said Baram.

"There is one scenario in which we might become involved, although it is very remote. According to the UN arms disposal commission, Saddam still has between six and 16 missiles, very possibly with non-conventional (chemical or biological) warheads, so a potential threat still exists.

"To get to the point when he would want to use these, however, he would have to be really desperate and literally on the brink of total collapse and we are far from that stage.

"Nevertheless, we could become politically involved if Saddam wins this round; by getting away with his actions and not withdrawing his forces from Irbil without being punished.

"If he succeeds, and continues his actions, he will secure his place in Baghdad for a few more years and again become a hero in the eyes of many Arabs and Moslems. In such circumstances, he would be en route to reinstating himself as an important leader in the Middle East. If this happens, and it will if there is no response, the faltering peace process will be wrecked because Saddam Hussein is the best spoiler in the Middle East.

"If he regains prestige, he would immediately resume the position of leader of all the radicals in the Arab world and he would do it much better than the Iranians. This is something I would be very worried about," Baram said.

He noted there are factors aside from the upcoming US election that would make Clinton's decision on a military response difficult.

"The matter is also complicated by the fact that one of the Kurdish groups, the Democratic Kurdish Party led by Masud Barzani, has forged an alliance with Iraq against the Patriotic Union of Kurdistan group led by Jalal Talabani. This makes the situation much more murky," Baram said.

"The decision is further complicated by the fact that Turkey is not keen to allow the US to use its air bases for launching attacks against northern Iraq. Turkey has a new government which wants trade relations with Iraq.

"Nevertheless, I believe that if Saddam does not withdraw his forces from Irbil, as he has promised but has not implemented yet, the US will have no choice but to take some kind of military action. "Economic sanctions or non-implementation of the UN agreement to allow Iraq to sell some of its oil would not be enough," said Baram.

Baram insisted that military action against Iraqi forces, either in the Kurdish enclave in the north or in military installations in the cities, would not jeopardize America's "dual containment" policy aimed at jointly restraining both Iran and Iraq, by keeping both weak.

"Saddam, even if he were hit, still has enough forces to keep Iraq at bay and hold the edge. In fact, the main deterrent for both countries in the region is the threat of US action if either of them breaks the status quo," said Baram.

Peres: PM will shake Arafat's hand as a result of pressure, not leadership

MICHAL YUDELMAN

LABOR Chairman MK Shimon Peres said yesterday that Prime Minister Binyamin Netanyahu will meet Palestinian Authority Chairman Yasser Arafat, but as a result of giving in to pressure, rather than a plan or leadership.

Speaking at Labor's executive meeting, Peres depicted Netanyahu as being dragged willy nilly to meet Arafat. "It's obvious Bibi will meet Arafat, and shake

his hand, and smile at him, then call [Egyptian President Hosni] Mubarak to report the meeting, and telephone Jordan's King Hussein to brief him...but all this will be as a result of pressure, and being dragged into it. None of this will come from planned policy or leadership. And giving in to pressure has a price," he said.

Peres stressed that the Oslo agreement

is a state law, since the Knesset approved it, "and the government is not above the law, but subject to it. There should be no hesitation in the government to support the Oslo agreement. They should not be ashamed to support peace. Peace is not a crime." Labor's executive issued a strong

denunciation of the attacks on Supreme Court President Aharon Barak and the threats on his life, and the lives of other judges. It called on the Knesset to do everything in its power to uproot these threats.

The executive meeting was almost prevented, as Labor headquarters workers took over the meeting hall in protest of the decision to fire half of the apparatus

workers due to the NIS 15 million deficit in the party's budget.

The deficit was caused by the election defeat and drastic cut in the number of party MKs.

The workers agreed to vacate the meeting room only after MKs Moshe Shahal and Eli Goldschmidt were appointed to negotiate with them over their retirement terms.

NEWS IN BRIEF

Navy revamps destroyer

The INS Tarshish rejoined the Israel Navy yesterday after undergoing a two-year overhaul during which it was outfitted with the latest home-developed naval warfare systems.

The 61-meter missile cruiser's four diesel engines give it a maximum speed of 31 knots. Control of its eight Harpoon missiles and six Gabriel rockets is done in the command and control center. The renovations were carried out by the Israel Shipyards as well as the Navy Shipyards. Originally launched in 1974, the INS Tarshish sailed to the United States to participate in that country's bicentennial. The Navy said the 480-ton vessel would soon be joining its four sister ships. *Arieh O'Sullivan*

Water supply to parts of Ramle cut by Mekorot

The Mekorot water company yesterday again disrupted the water supply to parts of Ramle because the municipality owes it some NIS 2 million. The water was turned off for four hours, beginning at 9 a.m. About half the city was affected, as it was during a similar cutoff last week. Mekorot sources said the Ramle municipality has owed the money for several months. A Mekorot spokeswoman said that various repayment plans had been offered to city officials, but were rejected, forcing the company to cut the supply to consumers even though they had paid the municipality for the water they had used. *Itim*

Settler acquitted of supporting terror group

David Balhasan, 44, a resident of Shani in the Hebron Hills, was acquitted yesterday by the Jerusalem Magistrate's Court of charges of supporting a terrorist organization, but was convicted of inciting to rebellion for comments he made following the assassination of Yitzhak Rabin.

Balhasan had told a foreign TV crew on the day of Rabin's funeral he was "very happy the dictator Rabin is dead," and that he hoped "the Israeli people will fight against the satanic Islam and the Arab rule in the Land of Israel." Sentencing was set for next week. *Itim*

German defense minister arriving today

German Defense Minister Volker Rube is scheduled to arrive this afternoon for a three-day visit, as the guest of Defense Minister Yitzhak Mordechai. He will visit army installations, visit Jerusalem and Eilat, and conduct talks on furthering the connections between the two countries' defense establishments.

During the visit, Rube will meet with President Ezer Weizman, Prime Minister Binyamin Netanyahu, and Labor Party leader Shimon Peres. Rube previously visited here in April 1993. *Jerusalem Post Staff*

Baby swallows caustic soda

A 13-month-old baby boy who ate caustic soda left on the floor at home was in stable condition at Jerusalem's Bikur Holim Hospital Friday, after doctors treated him with steroids. After initial treatment, he was transferred to pediatric surgery at Hadassah University Hospital. Today he will undergo a bronchoscopy to see what if any damage was done to his esophagus and other internal organs. The baby suffered severe burns on his mouth and swelling on his lips, with sores on his palate. *Judy Siegel*

Meretz executive expresses confidence in Dedi Zucker

MICHAL YUDELMAN

MERETZ'S executive yesterday rejected the demand of five members to force MK Dedi Zucker to resign from the Knesset and expressed its confidence in Zucker's statement that the Camera Obscura photography school was not involved in any illegal actions.

The executive convened at Zucker's request and at the demand of the members who had demanded that Zucker resign. The demand followed the Knesset Ethics Committee's ruling that Zucker had taken advantage of his position to secure funds for the school, from which he received payment as chairman of its fund-raising association. Both Zucker and the school are being investigated by police.

Zucker, who had also underreported his earnings from outside the Knesset, was fined three months' wages by the Ethics Committee.

Zucker defined his actions as a "slip-up" and said that for the past two years a right-wing group has been targeting him and the Camera Obscura association. Since the affair is being investigated by police, he would not elaborate but said he hoped to prove his innocence soon.

Meretz Chairman MK Yossi Sarid said "the Meretz movement is not a family, but not a mafia, either, which sentences a member and then punishes him. For this, there are state institutions which will probe, charge, and give their verdict."

Sarid said Meretz shared Zucker's opinion that he had slipped up and for that deserved to be denounced. He said Meretz respects the Ethics Committee decision to fine Zucker.

"Meanwhile, the police has begun probing Camera Obscura to find whether there is a criminal aspect to the affair. Meretz believes Zucker and his version that there is not. Meretz is certain that the investigation will prove Zucker's innocence. If things transpire otherwise, nobody will have to tell Zucker what he must do," Sarid said.

The group demanding Zucker's resignation maintained that a Meretz MK should not behave like other MKs, and should immediately resign if he is suspected of unethical or illegal conduct.



An Iraqi-Kurd (right) gives the victory sign with other Iraqis during a demonstration in Baghdad yesterday. (Reuters)

(Continued from Page 1)

to be Sulaimaniya, which other unconfirmed sources said had already fallen. It is the center for the Patriotic Union of Kurdistan (PUK). The column was last reported near the village of Koi Sanjaq, 60 km. east of Irbil.

Following the Iraqi move, Secretary-General Boutros Boutros-Ghali announced yesterday he was delaying the deal allowing Baghdad to sell limited amounts of oil to buy food and medicine.

Boutros-Ghali said he would postpone deploying "certain personnel who will supervise the implementation" of the oil sales deal, effectively delaying the plan.

"He is following the situation closely, and he is in continuing contact with the United Nations coordinator in Baghdad," the UN statement said. It said all UN personnel in northern Iraq were safe.

Israel is closely watching developments in Iraq, though there are currently no indications that the conflict will spill over into this region, Prime Minister Binyamin Netanyahu said.

"We are in touch with the US on this matter, as we were [before the

KURDS

fighting broke out] when there were indications [of a conflagration]." Netanyahu told reporters in Jerusalem. "But we are nevertheless taking all necessary precautions."

Zalman Shoval, who was ambassador to the US during the Gulf war, said that Iraq's invasion of the Kurdish enclave "proves the worth of agreements in the so-called new Middle East."

For all the importance of the agreements that Israel has signed and may yet sign, Shoval added, the country's security will continue to be dependent almost solely on its military might, on defensible borders, and on its strategic cooperation with the US.

Foreign Minister David Levy, meanwhile, warned Iraq that it is "playing with fire," adding that "the situation is very serious."

"There is a red line that the Iraqi government must not cross, because if it does so, it is playing with fire," Levy told reporters en route to Alexandria, though he did not elaborate on what the "red

line" is.

PUK forces were thrown back from Irbil on Saturday, after Baghdad intervened on behalf of a rival group, the Kurdistan Democratic Party (KDP). Iraq said it launched the attack because the PUK had been cooperating with Iran.

Latest reports from Irbil, long a center for Kurdish opposition, said Iraqi security forces are hunting down opponents of President Saddam Hussein. Ninety-six captured defectors were said by the opposition to have been executed.

Iraqi forces and an allied faction appeared in full control of Irbil, the main Kurdish city in northern Iraq.

In neighboring Iran, the state-run Islamic Republic News Agency quoted unidentified "sources close to Iraqi Kurds" as saying Iraqi troops and their Kurdish allies took Sulaimaniya yesterday.

The report could not be confirmed by independent sources. Earlier reports - also unconfirmed - spoke of shelling close to Sulaimaniya, but the official Iraqi News Agency claimed the city was calm.

"I want you to take note of what the minister just said, that Israel is not going to confiscate any more land," Moussa told reporters. "Let us put that on the record. This is very important."

Jon Immanuel contributed to this report.

MEETING

In accompanying verbal understandings, the Palestinians agree to keep their institutions in Jerusalem closed and Israel agrees to allow Arafat to regularly fly between Gaza and the West Bank.

At his press conference with Moussa, Levy denied Palestinian assertions that the Oslo Accords ban settlement expansion. But, he said, "we do not confiscate lands and we do not build new settlements."

The Palestinians maintain the section in the accords requiring no change in the status of the West Bank and Gaza during negotiations amounts to a ban on construction in the settlements.

LANA ALON

née Sklone

passed away on Sunday, September 1, 1996.

The funeral will take place at Kfar Sava, today, Monday, at 2:45 p.m.

M.H.D.S.R.I.P.

The Family


The shloshim in memory of our beloved

HANNAH WEINSTEIN

will be held on Friday, September 6, 1996, at 10:30 a.m. at the Yarkon Cemetery. Please meet the family at the main gate.

Husband: Sima

Children: Miriam, Yigal, Eli and families

MaTan  The Sadie Rannet Women's Institute of Torah Studies

אמור לחכמה אדוותי את (משל 17)

A shivur in memory of JUDY KAUFMAN HURWICH

on the shloshim of her death will be taught by Rav Ariel Holland (in Hebrew) Wednesday, September 4, 10:10-11:20 a.m. as part of MaTan's Elul Program. Heichal Shlomo, 58 King George St., 5th floor.



Behind the scenes of the 'dark channel'

(Continued from Page 1)
participate in a meeting he was holding in Gaza with Labor leader Shimon Peres. "I think you should stay out of the picture, as this would not help you with your friend the prime minister," Arafat counseled, according to a source.

He mentioned to visitors who saw him in Gaza 10 days ago that "the contacts with Israel are Larsen contacts."
LARSEN'S INTEREST in serving as a bridge between the new government and the PA stemmed from his fear that the peace process could collapse, simply because nobody in the Netanyahu government knew the members of the PA. Without informal contacts, where relationships are formed and trust is built, formal talks, once they began, would founder immediately.

Obviously, the stakes were high. A collapse of the peace process would be devastating for all, including the Palestinian economy, which has suffered damage by the continued closure that Larsen has witnessed first-hand.

Moreover, the international community would also lose confidence in the peace process, and the hopes of easing the PA's \$90 million deficit at this Thursday's international donors meeting in Washington would be dealt a very heavy blow.

Larsen found a willing partner in Gold. Introduced by a mutual acquaintance, the two hit it off immediately and began exploring the prospects for an informal channel to get talks with the Palestinians going. This would later be called "the dark channel," since references to the meetings were colored gray in a flow chart presented to Netanyahu.

Arafat soon signed on. Lacking a prime minister who would even meet him, this was his best hope for progress, one that might even lead to the forging of a relationship with Netanyahu.

On August 6, Larsen and Juul sounded out Arafat and some of his top deputies. At a meeting at Juul and Larsen's Tel Aviv home - referred to below as Juul's home, since Larsen is officially based in Gaza and is home with his wife only on weekends - two key Palestinians expressed interest, as did US Ambassador Martin Indyk, who attended the session.

Top Palestinian negotiator Mahmoud Abbas was optimistic. He had met Larsen years ago, and was pivotal in urging Larsen, then a head of a Norwegian think-tank, to facilitate the original Oslo talks.

Perhaps a key moment occurred when Mohammed Dahlan, Gaza head of PA Preventive Security, the other Palestinian in attendance, declared, according to a source, "If Palestinian living standards rise, I can guarantee there will be no attacks against Israel for the next three months."

One could see an implicit threat in this promise. If Dahlan could guarantee there would be no attacks against Israelis if times got better, he was also hinting that he could not or would not halt attacks if the situation

YET, FOR ALL the optimism that night, there was also concern.

On the same day, Foreign Minister David Levy had threatened to resign if he was not given a bigger role in peace talks. There was concern among the Palestinians that the government was entering a state of inner confusion, and that there would be nobody with whom to negotiate.

On August 11, after several days of stalemate with Levy, Netanyahu decided in a meeting with Defense Minister Yitzhak Mordechai and top aides that Levy - who was then attending a wedding in New Jersey - could not be allowed to hold up the works and agreed in principle that contacts with the Palestinians should continue.

Gold had been telling Netanyahu about Larsen, and urged the premier to meet him to give his blessing to

informal talks. By this point, cabinet secretary Danny Naveh and Netanyahu's lawyer Yitzhak Molcho - who had personally delivered messages to Arafat - had also met Larsen. All three favored informal talks. Another Netanyahu aide, communications director David Bar-Ilan, was subsequently to sit in on some meetings with Larsen.

On August 13, Larsen, Gold, and Abbas wanted to begin. While Netanyahu had agreed to the talks in principle, he had not yet specifically authorized talks hosted by the Norwegian couple. Gold believed the prime minister would be convinced.

At 4 p.m., Gold asked Larsen to set up a meeting with Abbas for that evening. Yet, it would only be two hours later that Netanyahu okayed the meeting. "Let's go for it," he reportedly said.

Yet, even then, the talks were described as exploratory.

Abbas canceled his plans to come to Tel Aviv that evening.

At the two-and-a-half-hour meeting that evening were Larsen, Juul, Gold, Netanyahu's intelligence aide Col. Shimon Shapiro, Abbas, and Dahlan.

Indyk was on vacation, but in any case Netanyahu did not want American participation, feeling it would somehow put pressure on Israel.

DESCRIBED BY one participant as "a Palestinian prince," due to his aristocratic demeanor, Abbas brought Juul foil-wrapped mink from Dubai and gave the same gift to Gold for his wife Ofra.

After the participants loosened their ties, they gathered in the sitting room, where mineral water, fruit, nuts, coffee, and tea were placed on the table.

"We must set rules of the game," Larsen reportedly said. "This is a deep-cover back-channel. There can be no leaks to the press. We are here to discuss problems and put things on the table. There can be no game-playing. Both Mona and I are at your disposal. You indicate to us if you want us to vanish into the next room. If Abu Mazen [Abbas] and Dore want to have a tete-a-tete, we can be go-between and/or make suggestions, or we can go into the next room. It's your initiative."

While making it clear that he did not want to interfere in substantive one-on-one talks between Abbas and Gold, Larsen said: "You must do package deals."

Quid pro quos were crucial. Without saying what he thought the contours of a package deal should be, he did say the elements of discussions between the sides included "economics, security, Hebron, further redeployments, and final status."

Larsen added that both the Palestinians and the Israelis have a stake in improving the economic situation.

"If the economic situation deteriorates, this will threaten Palestinian political stability and Israeli security," he reportedly said. "The donor community and the US will be happy if you have economic measures in advance of the September 5 donors meeting. It would be good to have a short-term package, because time is running out, so try to make this work."

Interestingly, while Gold and Abbas subsequently met alone in a corner of the room, dealing with what Israel viewed as objectionable Palestinian institutions in Jerusalem, Dahlan and Shapiro found themselves talking as well. Abbas and Gold spoke in English. But Dahlan speaks better Hebrew than English, due to his time in Israeli jails in the 1980s. He and Shapiro spoke in Hebrew.

ON AUGUST 14, Larsen held his first meeting with Netanyahu. The session was attended by Gold, Shapiro, Naveh, and the premier's military aide, Maj.-Gen. Ze'ev Livne.

Netanyahu liked Larsen's call for a package deal with the Palestinians. During the election campaign, he



Former chief of staff Dan Shomron, head of the steering committee on Palestinian issues, and Palestinian Authority Minister Saeb Erekat, who is leading the Palestinian team holding talks with Israel, during discussions in Tel Aviv last week. (Brian Heatter)

frequently complained that there had never been a Palestinian quid for the Israeli quo. Israel must get something out of the peace talks, he said, and not just give, as it does at the Rafah and Allenby Bridge crossings.

Larsen said that it would be too unwieldy to go for one huge political package involving final borders, but rather the talks should be "broken up into smaller packages."

Larsen said he believed the premier could placate his constituents and resolve the issue of Palestinian institutions in Jerusalem, if Israel was forthcoming on other issues.

Netanyahu objected. "I am not doing this due to domestic politics," he reportedly said. "I just want those institutions closed. There were no PA institutions mentioned in Oslo. Closing those institutions is a prerequisite to any deal."

In what might be described as the non-deal deal, Larsen said the PA might agree to first close the offices, but it needed to know what it would get in return.

After Larsen left, Netanyahu asked his aides what the Norwegian's interest in the negotiations was. They said that from their meetings with Larsen, they were convinced that he had no ulterior motives, but just wanted to ensure that the process he began in Oslo did not collapse.

"He was the father of Oslo, and he does not want to see it go down the drain," one aide said.

FOR THE TALKS to succeed, Larsen felt he needed to better understand Arafat's priorities. During a Gaza meeting with Arafat on August 15, Arafat reportedly said: "I tell you, Larsen, the first issue is my helicopters."

He complained about the fact that he needed approval each time he flew between Gaza and the West Bank, and that he was only permitted to fly in Egyptian helicopters. He wanted permission to fly his own.

The issue of helicopters was not just one of Arafat's dignity, but an indispensable vehicle for legitimizing his rule over the West Bank cities, and not being seen as ruling only in Gaza.

The second issue Arafat raised was the Dahaniya airport in Gaza. This would also be a symbol of

Palestinian rights, and a landing place for "my choppers," Arafat said to obtain this, he was willing to give Israel "Rafah rules," that is Israel could inspect incoming and outgoing passengers and cargo, as it does at the Rafah and Allenby Bridge crossings.

Arafat said his next priority was to have Israel admit "150,000 workers" by January, to improve the economic situation. It is estimated that every 10,000 workers add \$20 million in revenue to the PA on an annual basis.

The last item that Arafat mentioned was Hebron. He said that he would like this resolved by end of August, but was willing to accept a "time line" showing when the issue would finally be resolved. Arafat expressed confidence that the Netanyahu government was only seeking "cosmetic changes" to the redeployment that was agreed upon with Labor, but realized it was important to Netanyahu that this be discussed.

On issue of Jerusalem, Arafat indicated a willingness to close down the three PA offices there, as long as there was a quid pro quo. However, he could not countenance Netanyahu making major political capital out of such a Palestinian concession, as this would cause him domestic problems.

ON AUGUST 16, Larsen again met with Netanyahu, Gold, Naveh, and Molcho. It became clear that there was a problem with Hebron. Netanyahu said he considered the issue "fundamental," suggesting he was interested in more than "cosmetic changes" in redeployment.

This suggested that, because of time pressure, the actual discussions with the Palestinians over the scope of a Hebron pullback might have to take place after the September 5 donors meeting.

In short, a written set of understandings reached before September 5 could call for "mutual changes" in the deal, which would be worked out together and not imposed unilaterally by Israel, but the substance of the deal would have to wait.

Larsen impressed upon Netanyahu the importance of Israel's expelling 100,000 illegal foreign workers, thereby sending a signal to the Palestinians that there would be room for more of them to

work in Israel. Netanyahu said in principle that he would be willing to increase the number of workers allowed into Israel, but did not specify a number.

While Netanyahu expressed interest in holding further meetings with the Palestinians, the talks were once again put on hold, when Levy returned to Israel on August 18. Netanyahu and Levy had to conduct their own peace talks before deciding on how to make peace with the Arabs.

In a bid to end their impasse, Netanyahu agreed to Levy's request that he appoint former chief of general staff Dan Shomron head of a steering committee on Palestinian issues. But Levy did not object to the quiet talks continuing. It seems, though it cannot be confirmed, that Netanyahu agreed to keep Levy informed on the progress of the talks.

ON AUGUST 21, Netanyahu approved another round of talks at Juul's apartment the following day. Larsen, Juul, Abbas, Gold, and Shapiro attended. Due to a mix-up, Dahlan missed the meeting.

Arafat's planned meeting with Labor Party leader Shimon Peres that evening was a point of friction during the session. The Palestinians were upset that Netanyahu did not expedite Arafat's request to allow his helicopter to fly from Gaza to Ramallah.

Arafat was convinced this must have been a deliberate effort to humiliate him. Officials in the Prime Minister's Office not involved in the "dark channel" insisted it was an administrative foul-up. While Netanyahu insisted on personally approving every Arafat request for a flyover, they said he had approved this flight by midday, but by then Arafat had switched the Peres meeting to Gaza.

The Peres meeting was also on the Israelis' minds. Netanyahu had publicly warned the Palestinians not to think they could negotiate through a member of the opposition. But this had apparently not occurred to the Palestinians, who are fully aware that Netanyahu is running the government and that it would be futile to try to negotiate with Peres.

During the talks, it was made clear that Arafat was "meeting with an old friend," thereby disabusing the

Israelis of the notion that he felt talks with Peres could be a negotiating channel.

Abbas agreed that the Jerusalem institutions would be closed and gave verbal assurances that Jibril Rajoub's Preventive Security Service would no longer operate inside Jerusalem.

The fact the assurance was verbal allowed Netanyahu to claim it was an unlinked concession, since he insisted there be no quid pro quo for a violation. This served the Palestinians as well, since they did not want something in writing that could have negative domestic fallout.

GOLD REPORTEDLY found Abbas very politically astute, with a sense of what was politically possible both for the Netanyahu government and for Arafat. He seemed to share a liking for Gold. He would say, "I can do business with Gold."

While Gold was being criticized in the Israeli media for not being forthcoming enough toward the Palestinians, he was actually urging that a deal be reached before the donors' meeting. The understandings would be titled a "non-paper" - diplomatic jargon for unsigned agreements - which would be the basis for future progress.

Gold also pressed Abbas that either he or Arafat meet with Shomron, formally the head of the steering committee which was to conduct official talks. Netanyahu had just appointed Shomron, and Gold wanted to ensure that he was treated properly.

But Arafat and Abbas had barely heard of Shomron, and they did not want anything which would interfere with the private channel. Arafat rejected the request, and said that Shomron should meet with Saeb Erekat, his Palestinian counterpart. Within a week, a short meeting and photo opportunity was scheduled for the two. Then Shomron, and later Erekat, were invited to join the quiet talks.

Netanyahu continued to resist US participation in the talks. However, everyone believed it was important that the Clinton administration, which has been so supportive of the peace process, be properly briefed.

Israel also wanted to maintain close ties with Egypt, which views itself as the champion of the Palestinian cause. While a briefing was scheduled before President Hosni Mubarak's threat to cancel the November economic summit in Cairo, this gave added impetus to holding a meeting.

Moreover, it was important to hear the US and Egyptian assessment of restarting peace talks with Syria.

Therefore, Gold and Shapiro flew to Paris on August 26, where they held talks with US special Middle East peace coordinator Dennis Ross and Egyptian national security adviser Osama Baz. Larsen also flew to Paris to discuss the Palestinian track. To keep the talks quiet and away from the media, they were held at the residence of the American deputy chief of mission.

A MAJOR question was whether the "non-paper" would outline the scope of Hebron redeployment. If it did not, Ross raised the possibility of a Netanyahu-Arafat meeting.

Assuming the Palestinians agreed to the non-paper, Ross felt a Netanyahu-Arafat meeting would serve to normalize the peace talks, ending the period of limbo.

After President Ezer Weizman

said that he was willing to respond to an Arafat appeal and meet the PA chairman, Netanyahu subtly changed his public approach to such a meeting. While he had previously said he would only "consider" it if national security were at stake, he told a television interviewer that he would definitely meet Arafat, but the meeting needed to be "substantive."

Larsen agreed that the Netanyahu statement should be seen as an opening.

While Gold found the idea possible, he swatted down informal proposals that a handshake occur at the White House with Clinton in the background. He felt such symbolism would be misplaced, since it would inevitably be compared to the famous 1993 handshake between Arafat and Yitzhak Rabin, and since the media was bound to say that Netanyahu was seeking to help Clinton's reelection bid.

Just as things appeared to be going well, there was a crisis. On August 27, Juul phoned her husband in Paris to say that Arafat was furious about several events that he viewed as deliberate humiliations, especially after he agreed to close Palestinian offices.

Just after Arafat closed the offices, Defense Minister Yitzhak Mordechai announced new construction in the territories: a Jerusalem Municipality; a Beduin tribe was ordered out of its encampment near Ma'aleh Adumim; and Arafat's helicopter was kept circling over Tel Aviv for 40 minutes while en route to Ramallah.

Though it was after 2 a.m., Ross and Larsen urgently sought Gold so he could do something, especially since Abbas was saying Arafat would not permit any more meetings due to these events. Unfortunately, they could not locate Gold, since the Prime Minister's Office had sought to save a few dollars by putting him in an inexpensive hotel had no night operator minding the desk to put calls through.

The following morning, Gold was informed of the crisis. He phoned Netanyahu to obtain an explanation he could convey to Abbas. "Finish the non-paper as soon as possible," he was told, and he drafted a text on the way back from Paris.

Gold realized that a direct approach needed to be made to Arafat, who had to be convinced that no snub was intended. A three-part approach was decided upon: Ross would call Arafat; Larsen would see Arafat; Molcho would bring a letter of apology from Netanyahu to Arafat.

Arafat's okay was needed not just to restart the back channel, but he had to be made to understand that a meeting between him and Netanyahu would be the best way to follow up on the understandings, with discussions on the particulars of a Hebron pullback to follow later. This point was made by Ross on the phone, and reinforced in person.

Both Molcho and Larsen went to see Arafat in Ramallah last Thursday. Molcho apologized about the helicopters. They urged him to let the meeting planned for that evening go on, so the non-paper could be completed. When Larsen asked Arafat if he would be willing to meet Netanyahu after the understandings are reached, Arafat replied: "Why not?"

The "dark channel" talks have continued since then.

GAME TIME

HISTORY OF CHESS - by Victor Keats, world-renowned expert
The most comprehensive review of chess history is now available in this 3 volume series by Victor Keats. Most of the text derives from translations from Arabic and Hebrew, with accompanying commentaries, illustrations, reproductions from manuscripts, and pictures of chess pieces and early chess problems. This is an invaluable reference source for collectors, players and everyone fascinated by this ancient game.

- Vol. I - CHESS, JEWS AND HISTORY** brings together writings from all periods which have a bearing on chess, and constitutes a unique review of the whole history of the subject. 402 pp., with 100 reproductions, book plates, Hebrew and Arabic texts, pictures of chess pieces, problems and maps.
- Vol. II - CHESS AND ITS ORIGINS** is the first ever translation into English of the work by Thomas Hyde, chief librarian of the Bodleian library in the late 17th century. 352 pp., with 80 illustrations from period literature and iconography.
- Vol. III - CHESS AMONG THE JEWS** - a catalogue of Hebrew sources, and a translation and explanation of the work of Moritz Steinschneider.

JP Special Introductory Price: NIS 269 per volume incl. VAT and door-to-door delivery (where available). All three volumes: only NIS 699 incl. VAT & door-to-door delivery (where available).

The illustrated Guide to World Chess Sets by Victor Keats, is a book of immense value to established and new collectors alike. The development of chess sets in each country is charted systematically in chronological order, giving the reader an instant means of identification. 50 color and 273 black and white illustrations give details of the diverse materials used, sizes and dates, and highlights the variations in style in English Staunton sets, Indian ivory sets, Spanish 'pulpit' chessmen, as well as highly unusual, one-of-a-kind sets from Africa and America.
JP Special Price: NIS 249 incl. VAT and door-to-door delivery (where available). Offer valid till February 16

To: Books, The Jerusalem Post, POB 81, Jerusalem 91000
Please deliver me the following History of Chess books:

Title _____ Price _____

I would like to order the 3-Volume set of Chess History, for NIS 699. Enclosed is my check payable to The Jerusalem Post, or credit card details:

VISA ISRACARD DINERS Exp. _____

CC Number _____ City _____ Code _____

Name _____ Address _____ Signature _____

ID No. _____ Tel. (day) _____

Expert: US to take action if Saddam doesn't withdraw

super charter Galilee Tours
THE RED SEA - A DREAM VACATION
HORGADA, SHARM-EL-SHEIKH AND NUBEHA

HORGADA
Flight + 3 NIGHTS B/B (inc. transfers) from \$381

SHARM-EL-SHEIKH
Flight + 3 NIGHTS B/B (inc. transfers) from \$345

HILTON NUBEHA
3 NIGHTS B/B only \$126
not including NIS 70 crossing fee (payable at border) & \$30 registration fee.

CALL NOW 03-5252999
FOR FURTHER DETAILS, CALL ANY OF THE TRAVEL AGENTS
GALILEE TOURS BRANCHES: TEL-AVIV, 42 BEN YEHUDA ST.
JERUSALEM 02-6258866 ELAT 07-8335145

Chechnyan peace deal hangs in doubt

Yeltsin withholds approval of pact okayed by rebels

DAVE CARPENTER
GROZNY

A PEACE deal for breakaway Chechnya hung in doubt yesterday as President Boris Yeltsin withheld his key approval of the pact, signed by Russia's security chief and rebel leaders, to end the 21-month war.

Meanwhile, Prime Minister Viktor Chernomyrdin stopped short of endorsing the plan yesterday but said, "I'm convinced we're on the right track," the Interfax news agency reported.

Scattered clashes were reported across the ravaged mountainous republic yesterday.

But in other parts of Chechnya, the peace process moved forward. Chechen rebels released 10 Russian prisoners in Gudermes, some 40 km east of Grozny, the Russian military command said.

Russian national security chief Alexander Lebed and top separatist commander Aslan Maskhadov signed a breakthrough agreement yesterday declaring an end to the war, which has killed more than 30,000 people.

But hours later, Yeltsin cast doubt on the document's validity, saying it needed "additional evaluation and assessment."

The peace deal needs the approval of Yeltsin, who sent troops into Chechnya in December 1994 to crush its independence bid.

Yeltsin spokesman Sergei Yastrzhembsky said the president was awaiting a detailed report

from Lebed, so that government experts could examine the document.

Yeltsin, who is vacationing at a hunting resort outside Moscow, has distanced himself from Lebed since putting him in charge of the Chechen conflict on Aug. 10.

Yastrzhembsky said Lebed and Maskhadov had made changes to the peace plan from the version Lebed worked out with Prime Minister Viktor Chernomyrdin and other senior officials on Thursday.

Chernomyrdin, speaking in the Volga River city of Nizhny Novgorod yesterday, did not comment on the changes.

"We need to have courage, endurance and patience. We need to continue to move forward, but not endanger Russian interests," he said.

Chernomyrdin said he and Lebed would meet tomorrow to discuss the deal.

Chechen leader Zelimkhan Yandarbiyev, who hailed the pact right after its signing, was more subdued yesterday.

Calling it a "move toward peace," he accused unspecified Russian forces of "launching provocations aimed at jeopardizing the agreement," Interfax reported.

All previous accords to end the

war have failed. But this one ventures further than the others on the key issue of Chechnya's political status, committing both sides to resolving the question by Dec. 31, 2001.

Chechnya wants independence from Russia, which Moscow has said it will never allow.

But it wasn't clear whether the document alters Chechnya's current status, or whether it outlines a mechanism for the decision on Chechnya's sovereignty.

It calls for a joint Russian-Chechen commission to be created by Oct. 1 to fight crime and rebuild Chechnya's shattered economy.

Meanwhile, nearly all remaining Russian and separatist forces pulled out from Grozny, leaving the charred and crumbling capital in the hands of joint Russian-Chechen patrols as part of an earlier military truce.

Elated Chechens, setting aside concerns about the political impasse with Russia, danced and shouted for joy in villages west of Grozny as convoys of rebel fighters drove out with fists uphrist victoriously.

Chechens also turned over an armed personnel carrier seized in an attack on Russian troops earlier this month, when rebels seized Grozny in some of the worst fighting to date.

But peace remained uncertain. (AP)



Lebanese Prime Minister Rafik Hariri casts his vote at a Beirut polling station yesterday. (Reuters)

Beirut votes for parliament

BEIRUT (AP) - Prime Minister Rafik Hariri sought a strong mandate for his plan to rebuild the capital as Beirutis voted yesterday to fill 19 seats in the 128-member Parliament.

The vote is the third leg of a five-stage ballot. Elections are being held on five consecutive Sundays and all the Parliament seats will be filled when the vote is completed Sept. 15.

"This election will decide your fate for the next four years. Let the people arbitrate," Hariri said as he cast his ballot.

Hariri, prime minister since 1992, campaigned on his own record of rebuilding Lebanon. "We've done a lot. We hope to get a mandate to continue," he said in a televised interview.

About 4,000 Lebanese army troops patrolled the streets in armored vehicles and trucks to head off any clashes between political opponents.

Entertainment centers were ordered closed and sale of alcohol banned.

But election day took on a festive atmosphere

in a city accustomed to settling scores by the bullets rather than ballots.

Activists drove through the streets, honking as they navigated the city's narrow streets, waving posters of their candidates and blaring speeches from loudspeakers.

About 120 candidates contested the 19 seats in Beirut and about 379,000 people from 25 ethnic and religious groups were eligible to vote. The polls were closing at 5 p.m. Official results were expected today.

As expected, the first two rounds of voting in north and central Lebanon saw the election of pro-Syrian candidates for the half-Christian, half-Muslim legislature.

Syria, which has 40,000 troops in Lebanon, dominates the country's politics.

The Beirut election includes three Sunni Muslim political heavyweights - Hariri, former Prime Minister Selim Hoss and Tammam Salam, the son of ex-premier Saeb Salam.

Under Lebanon's sectarian system of government, the prime minister is a Sunni, the

Parliament Speaker a Shiite Muslim and the state president a Maronite Catholic.

The 19 seats in Beirut are divided to reflect the city's religious and ethnic makeup. Muslim fundamentalists such as the Shiite Hezbollah and the Sunni Habashi and Islamic Group factions are also fielding candidates in Beirut.

Hariri, a self-made billionaire from southern Lebanon, is regarded an outsider to Beirut politics but his reconstruction plan to restore the capital's prewar glory has earned him the support of many.

Hariri is expected to win a seat easily. But he has urged voters to elect 16 other ticket-mates to help him proceed with his multimillion-dollar reconstruction program.

Irregularities included misspelling of names, the use of the identities of dead people to cast votes and voters' complaints that they were not allowed to cast their ballots because someone else had voted for them earlier in the day.

Officials said five people had been detained on other allegations of attempted fraud.

S.Africa to reconsider death penalty

CAPE TOWN (Reuters) - South Africa's ruling African National Congress is to consider reinstating the death penalty in view of a wave of violent crime that is engulfing the country, Justice Minister Dullah Omar said yesterday.

Omar, summing up after a two-day meeting of ANC leaders on crime, told delegates:

"The view of the summit is that the ANC, as the leading liberation force and democratic force in our country, representing the will of the people, should not be afraid to reassess its position with regard to the death penalty."

"The summit has taken the position that the national executive committee (NEC) should as a matter of urgency review the whole question of the death penalty and if it is necessary the whole policy position of the ANC should be reviewed."

No one has been executed in South Africa since the then president F.W. de Klerk imposed a moratorium on hangings as part of

his political reforms early in 1990.

The death penalty is still on the statute books but the constitutional court has ruled that it cannot be carried out in terms of the country's new democratic constitution.

The ANC, which won the country's first all-race elections in April 1994, has until now opposed capital punishment. But grassroots pressure for it to be reimposed has gathered pace in recent months as violent crime rages unabated with police apparently powerless to bring it under control.

The constitution can be amended by a two-thirds majority vote in parliament.

Addressing the weekend conference, Omar said action had to be taken to address the socio-economic causes of crime but legislation also had to be tightened.

"We want to send out a clear signal from the ANC that we cannot allow criminality to prevail in our society. We want to ensure our women, our girls, can live in safety," he said.

NZ election campaign begins

WELLINGTON (Reuters) - The radical right and their counterparts on the left fired the first formal shots in New Zealand's election campaign yesterday in a poll that will give voters more diverse choices than ever before.

Campaigning began as a new opinion poll by TV1 showed support for the ruling conservative National Party falling four points to 35 percent, its lowest level for six months.

New Zealanders go to the polls on October 12 in their first election under a German-style mixed proportional system that has replaced the British-style, first-past-the-post system.

The right-wing Association of Consumers and Taxpayers (ACT) was the first of more than 20 parties to formally launch its campaign with a platform of cutting government to the bone and eventually abolishing income tax.

Despite heavy financial backing from big business, ACT has only made a moderate impact on the polls, with support in the TV1 poll registered at 4.6 percent.

The big winner in the poll was Labor, up five points to 19 percent from a record low of 14 percent, while the economic nationalist New Zealand First was steady on 20 percent.

Parties need at least five percent support before they win seats in the 120-seat parliament.

The poll showed support for the Alliance, a formal grouping of five parties, falling by one point to 12 percent, less than half that of earlier polls.

Leader Jim Anderton opened the Alliance campaign in an Auckland movie theater screening *Mission: Impossible*.

The packed theater was roused by Pacific Island drummers and dancers in multi-ethnic themes before Anderton was led in to the music of 2001: *A Space Odyssey*.

"We have to restore to New Zealanders trust in the political process and in their political leadership," he said.

Norway, Russia in crash site row

SPITZBERGEN (Reuters) - Norway and Russia settled a dispute over jurisdiction yesterday and agreed to cooperate in recovering the 141 victims of a Russian plane crash on this Norwegian Arctic island.

Officials from both sides said they agreed the operation would continue under the leadership of Norway, which governs the coal-rich island, after two Russian rescue workers were handcuffed and detained by Norwegian police.

The incident delayed Russian help in the difficult operation in tough terrain and unpredictable weather by about 24 hours and illustrated distrust between NATO member Norway and the former Communist superpower is rooted in the Cold War.

Russia and Norway share the island's coal resources under a treaty dating back to the 1920s.

"The Russian rescue workers will be put to work again on the crash site," Spitzbergen governor Ann-Kristin Olsen told a news conference. "It is accepted that Norway leads the operation."

Olsen ordered the two Russian mountaineers to be detained after they were found off limits on the mountain into which the TU-154 slammed last Thursday. They were

released after explaining they had not meant to violate Norwegian authority.

Ironically, the Russians found the voice recorder of the doomed plane before being hauled off the plateau. Norwegian rescue workers last Friday recovered the flight recorder.

The boxes, which could help explain the accident, will now be flown to Moscow for examination.

Russian Deputy Crisis Minister Aleksander Moskalet said the 11-member Russian team of mountaineers, who were ordered by Norwegian authorities to leave their base camp at the crash site the day before, would return in the afternoon to resume work.

He said he accepted Norway's explanation that the men would not have been held had Norwegian police realized they were rescue workers.

"The episode is over and forgotten. I will refrain from taking diplomatic steps," Moskalet said. "Common sense shall prevail in this investigation."

Norwegian police investigator Arne Bjoerkaas said the Russian mountaineers would be assigned to "climb up and bring down the dead who are hanging near the top of the slope. We can see those bodies from the valley."

Charles, Camilla face uphill battle

LONDON (AP) - Prince Charles may be determined to get his subjects to accept his relationship with the woman who broke up his marriage with Princess Diana - but he faces an uphill struggle, a poll published yesterday showed.

And one report said that until they can make their relationship more public, Charles and Camilla Parker Bowles are stealing moments together in the back seats of a movie theater.

Charles made his first public appearance since his divorce last week, attending church with other members of the royal family near Balmoral Castle in Scotland where they are vacationing. Wearing kilts, he looked relaxed and waved to hundreds of royal watchers near Craithie Church.

The *News of The World* published separate photos yesterday of Diana and property developer Christopher Whalley leaving the Harbor Club, an exclusive gym in southwest London. The paper said they left within seconds of each other on Saturday. Britain's tabloids reported in December that Diana had been dating the wealthy bachelor since 1994.

The MORI poll, published in

The *Mail on Sunday* newspaper, showed that 51 percent of Britons believe Charles should succeed his mother, Queen Elizabeth II as monarch as things stand right now.

Those who thought he should abdicate in favor of the next in line, his 14-year-old son Prince William, numbered 38 percent. Another 11 percent said they did not know.

But those numbers sharply reversed when respondents were asked how they would react if he married Parker Bowles, with whom he conducted affairs on and off throughout his 15-year marriage to Diana.

Those who said he should give up the throne if they married numbered 54 percent, and those who said he should remain were 40 percent; 6 percent said they did not know. The phone poll of 605 adults across Britain had a margin of error of 4.1 percent.

The estimation of Charles as making a good king has dropped from 82 percent in 1991 - before the revelations of his marital indiscretions were revealed - to 44 percent in the latest poll.

Asked if their opinion of Charles had fallen in recent years, 52 percent said yes, 43 percent said no, and 2 percent did not know.

CHINA & the SICHUAN DISTRICT 18 DAY TOUR



The Jerusalem Post Travel Club invites you to travel to the exotic Far East: GEOGRAPHICAL TOURS - NEOT HAKHAR a specially programmed English speaking tour.

From the Great Wall of China, to the pastoral beauty of rice fields, China offers you one of the most exciting trips you will ever have! We shall tour the "Forbidden City" and the Temple of Heaven - the architectural climax of the Ming Dynasty in Beijing. Visit the Army of Terracotta Warriors in Xian and drink Sichuan tea in Changdu. Sail along the Li river, through incredible scenery, side by side with the fishermen's bamboo boats. Walk in a traditional Chinese garden and see Buddhist monasteries and the "Great Canal" - the largest man-made canal in the world, dug in the 8th century.

The accommodation is excellent!
The dates: Departure Thursday October 17; return Sunday, November 3.
The price: US \$3875 per person (with double room occupancy)

Price Includes:
Flights - First class (4*) hotels, (in Sichuan best available tourist class) + Half board, (lunches at local Chinese restaurants)
Transportation by A/C tourist buses + Entrance fees + Guides
Geographical Tours - Neot Hakhar English speaking guide

PLEASE NOTE - There is no travel on Shabbat. Fish and vegetarian food is available.
For further information and registration:
Head office Tel Aviv: 67 Ben Yehuda St.
Tel: 03-5205858 Fax: 03-5221020 (Vered or Alit)
Jerusalem: 6 Shimonon Hamaika St.
Tel: 02-6221679 Fax: 02-6236161 (Tova or Nicole)

Always wanting to give you the best!
The Jerusalem Post Travel Club

in association with **AACI Netanya** "Dear Ruthie" will sign her book

Holiday Gifts

JERUSALEM POST BOOK SALE

NETANYA Books galore, in English, at reduced prices

RA'ANANA ★ Books and Puzzles for children

KFAR SABA ★ Paperbacks

HERZLIYA ★ Gift Books

★ Videocassettes

★ Many surprises

Friday, September 6
9:30 a.m. - 2:30 p.m.
28 Shmuel Hanatziv Netanya

JP Subscriptions - home delivery information

Seven drown in visit to Smith boys' memorial

UNION (AP) - Seven people, including four children, drowned in South Carolina's John D. Long Lake while visiting a memorial to Susan Smith's two murdered sons, authorities said yesterday.

Ten people were in the van, which had its lights on to see the granite memorial Saturday night, Union County Sheriff Howard Wells told WSPA-TV.

Five people got out to look at the memorial, leaving the four children and an adult inside, said Mike Willis, a spokesman for the state Natural Resources Department, which sent divers to the scene.

The van rolled down the ramp and under the water, and two adults dove in to help, Willis said.

Three adults and four children, including a 4-month-old baby, drowned; five of the dead were from one family. The bodies were all recovered by morning.

The ramp was the one that Ms. Smith parked on before sending her car into the lake with her sons strapped inside in 1994.

Ms. Smith was sentenced in July 1995 to life in prison for killing her children, 3-year-old Michael and 14-month-old Alex. She will be eligible for parole in 2025. For nine days that fall, Ms. Smith insisted the boys were car-jacked and begged tearfully on national television for their safe return.

Har Nof Gardens, Jerusalem

Exclusive Har Nof Project Few Apartments Remaining

4 rooms	\$227,600
5 rooms, ground floor, scenic view,	\$287,000
6 rooms, 60 sq.m. balcony, garden,	\$338,500

Marble floors, modern kitchens, apartments ready in eight months.
Prices according to exchange rate of NIS 3.20 - \$1 when you pay cash.
Nor Real Estate Tel. 02-375161, Fax. 02-375162

Listen to Arutz 7, 711 and 1143 AM, 105 FM

הכרזה מן הארץ

The price of true freedom was true hell

EMILY HAUSER

THE life of Marianne Faithfull could serve as a symbol of Western society as it has developed since those years we loosely call "the '60s."

There was the flowering promise of a beautiful, uninhibited young Marianne; her exploitation onto the world scene in the shadow of Mr. '60s himself, Mick Jagger; her horrific decline into heroin addiction; and her steady, white-knuckled return to the land of the living over the past two decades, marked by critically acclaimed albums and a brutally honest autobiography — much as the a Western world as a whole got drunk on the potential of freedom, and then had to learn to pay the price and move on. Even Mick Jagger is a grandfather now.

Yet today, Faithfull is in Israel as a representative not only of the age of flower power and its consequences, but of the entire century. On tour in support of her recently reissued disc *20th Century Blues*, the 49-year-old Faithfull will perform what she calls "an Evening in the Weimar Republic" twice (tonight in Jerusalem and on Wednesday, in Tel Aviv).

The album and its accompanying concerts are made up almost entirely of songs penned by German composer Kurt Weill, the man who captured the decadent, world-weary spirit of those scant 15 years between the end of World War I and the rise of Hitler. Yet, as the Noel Coward-penned title track reveals, the ennui of that time was not exclusive to it, but rather became an identifying characteristic of the millennium's final 100 years.

Indeed, the choice of such classic material by a woman known better for her rock 'n' roll credentials is not as surprising as it may seem on the surface. Her strained, painful

voice breathing out the words to the despairingly playful "Alabama Song," the album's opening track ("Show us the way to the next whiskey bar, oh don't ask why, oh don't ask why"), has the sound of truth and familiarity to it. This is a road down which Marianne Faithfull has traveled. Note that her own "Broken English" (title track to her 1979 release) was inspired by no less than German terrorist Ulrike Meinhof.

"I identified with Meinhof," Faithfull once said. "The same blocked emotions that turn some people into junkies turn others into terrorists... I won't have it! I won't stand for it! This is totally unacceptable!" A form of idealism that leads down different paths. "On the track, she sings: "What are you fighting for? It's not my security... It's not my reality."

Faithfull's interest in Weill began in 1985, when she (along with the likes of Sting and Tom Waits) contributed a track to a compilation of Weill's works put together by producer Hal Willner.

Introduced to the composer's *The Seven Deadly Sins* by Allen Ginsburg while at the Jack Kerouac School of Disembodied Poets in the summer of 1987, Faithfull's interest developed into an ambition to perform more of Weill's work.

This she undertook for the first time in 1992, when she played the role of Pirate Jenny in *The Threepenny Opera*, staged at the Gate Theater in Dublin. Finally, in 1994, she performed her "Evening in the Weimar Republic" for the first time, at the Brooklyn Academy of Music. This concert saw Faithfull combining Weill's work with that of others which she felt captured the time and atmosphere in which he wrote.

For a brief tour in 1995, Faithfull



Faithfull: A woman who has been through the depths of pain and lived to tell the tale.

attempted to split her concerts in half, performing her "Weimar Republic" material, and then bringing out the older, more familiar tunes. Unhappy with the results of this pairing, she has since eliminated most of the show's latter half, playing only the occasional Faithfull standard such as "When Tears Go By" — "so that [the audi-

ence] doesn't go away disappointed." It is perhaps not all that surprising that a woman who has gone down to the bottom of human existence through heroin, and survived to tell the tale in a successful career comeback, would be drawn to the real agony and sharp cynicism expressed in the songs of *20th Century Blues*.

This finds one of its best expressions in the words to "Illusions," by Friedrich Hollander, one of the few non-Weill compositions on the album: "They were lovely illusions," Faithfull sings, "but they just wouldn't come true, slightly used, just like you.... I would sell them all for a penny, they make pretty souvenirs."

Opera for the people

MICHAEL AJZENSTADT

ON December 12 the curtain will rise on a new kind of operatic experience in Vienna en route to the major cities of Europe. And when the lights dim and the orchestra begins to play the overture to Mozart's *The Magic Flute*, Rafael Brown will be smiling. Because it will be the first time that the Israeli-born Brown, who now makes his home in a picturesque German village, will be actually producing his own opera production.

Brown has been working as a classical music/opera impresario and producer for several years now. He is responsible for every tour of the Arena di Verona company. In fact, he was supposed to bring the entire Verona force to Jerusalem in a few weeks for a fully-staged production of Verdi's *Nabucco* at Jerusalem's Sultan's Pool but the production, which was planned as part of the Jerusalem 3000 celebrations, was canceled.

But if Brown has it his way, the new *Magic Flute* will come to Tel Aviv in a couple of years.

From his office in Germany, Brown explains that "I realized the time has come to produce grand opera. I'm talking about popular operas that will be presented in huge sport halls. Within the next four years there are 60 performances planned of this *Magic Flute* throughout Europe," from Oslo to Geneva, from Rotterdam to Zurich and from Hamburg to Berlin.

Brown has engaged the best operatic forces around for the project. The director is Giuliano Montaldo, who works regularly in Verona. The designs are by Professor Ernst Fuchs from Vienna and the lighting design is by another Verona artist, Paolo Mazzon. The conductor will be Ralf Weikert, who will lead the English Chamber Orchestra and the Prague Philharmonic Choir. And there are more Israelis involved in the production as well. The mime direction is by Yoram Boker and the sound design necessary for such

big halls is done by Asher Bitansky in collaboration with Terry Saunders from London. Brown explains that when *The Magic Flute* was first produced in 1791 it was titled a big German opera. At the time Schikaneder [the librettist who also played the role of Papageno] already used the latest stage and set constructions with flying objects and magic elements. He used monkeys, lions and snakes in motion and showed splendid scenes in the style of the grand opera.

Brown began working on this project three years ago. In 1994 he spent many hours with Fuchs and Montaldo and at the end of 1995 "we worked 10 days in a computer studio where with the help of a 3-D computer-simulation it was possible to study the technique of the stage and the set."

Fuchs's original designs are now being realized by architect Rinaldo Olivieri, and "a static calculations engineer realizes the steel construction of the cupola as well as the hydraulic system and motors inside the stage."

Brown has already signed a dream cast for the first set of performances in Vienna and Munich at the end of 1996, where each role will be double or triple cast because the performances happen day after day. Among the performers are Hellen Kwon as the Queen of the Night, Angela Maria Blasi as Pamina, Deon van der Walt as Tamino, Ferdinand Seiler as Monostatos, Paata Burchuladze and Evgeny Nesterenko as Sarastro and Andreas Schmidt as Papageno. And as a curiosity renowned bass Theo Adam will appear as the speaker. "He heard about the project and contacted us. I'm very happy about it."

This Magic Flute could very well reach the Yad Eliahu sports arena in Tel Aviv in 1998, as part of the celebrations of the 50th anniversary of Israel. "I really want this to happen. It is yet to be confirmed but we are checking about it."

Slow-boiled action on the bayou

FILM REVIEW
ADINA HOFFMAN

HEAVEN'S PRISONERS

Directed by Phil Joanou. Screenplay by Harley Peyton and Scott Frank. Based on the book by James Lee Burke. Hebrew title: *Asiri Gan* (200 min., 132 minutes). English dialogue, Hebrew subtitles. Parental guidance very strongly advised.

Dave Robicheaux — Alec Baldwin
Annie Robicheaux — Kelly Lynch
Robin Gaddis — Mary Stuart Masterson
Bobby Roque — Eric Roberts

IN Phil Joanou's moody thriller, *Heaven's Prisoners*, Alec Baldwin plays Dave Robicheaux, a former New Orleans cop who was forced to retire early from the force because of a drinking problem. He and his long-legged, sympathetic wife, Annie (Kelly Lynch), have since left the city and moved to the shores of the murky green bayou where they rent boats and sell fishing tackle. Their new existence is quiet, sober, calm and — as is evident from Robicheaux's first line ("I wanna drink"), muttered in hushed desperation to a priest in a confessional booth — it's also poised on the brink of violent change.

The script (adapted by Harley Peyton and Scott Frank from the book by James Lee Burke) doesn't give us much of a chance to observe Robicheaux in his fresh civilian mode before it obliges his obvious craving for danger and action by crashing a small airplane into the gulf right beside his own boat.

He dives in after the wreck and emerges with a waterlogged little girl, a Salvadoran refugee and the only survivor of the explosion. Without thinking twice, the childless couple takes her in as their own.

Robicheaux, though, knows that something is amiss and that perhaps the accident was not such a fluke. Soon the family is treated to a cautionary visit by an officer from the Drug Enforcement Agency (Vondie Curtis Hall) and then by a couple of thugs who warn Robicheaux less tactfully to keep his face out of their business. Even Robicheaux's asty frame of mind (the guy simply wasn't meant to hawk earthworms), their threats only serve as an invitation to become more deeply involved, to make a special trip to New



Dave Robicheaux (Alec Baldwin) and his wife Annie (Kelly Lynch) witness a devastating plane crash.

Orleans to question an old friend, a stripper (Mary Stuart Masterson), and to find out all he can about the little girl, the brutal thugs and the mysterious plane crash.

While there is a certain strained suspension of disbelief involved in a plot like this one, which requires of the hero that he both quide wry intelligence and act quite foolishly, strutting headlong into all sorts of life-threatening situations, Alec Baldwin makes it all come alive and seem thoroughly plausible. In his hands, the illogic of a script becomes the irrationality of a character, a far more compelling prospect. As he did in the recent *The Juror*, Baldwin once again displays a boggling balance of opposites: at once controlled and blindly furious, smoothly mannered and torn up on the inside, his wise portrayal of a man hell-bent on self-destruction is made doubly potent by his obvious understanding of the drama unfolding around him. Not only is Robicheaux spiraling downwards, he's helplessly watching himself go.

Baldwin's fascinating performance seems to emerge organically from the gradual, sloping rhythms and sultry atmosphere created by Joanou, along with production designer John Stoddard and director of photograph Harris Savides, who fill the screen

with lush, decaying images wrapped in whorls of det so gorgeously ominous they seem painted on. Against all odd—the colorful Louisiana setting serves not merely as a hand-me-down gothic backdrop, but as a val participant in the action.

The humid bayous, the seedy back alleys of the French Quarter, the raty roadsid bars and grand plantation houses through which Robicheaux and the others stumble do more than dictate the drowsy, slow-mo mood (though they do that too, wonderfully). They surround the characters, crowding in them and warning of the inevitable rot that awaits one and all.

For the first hour or so, the movie is, amazing and unusually beat and tack: just as the slowest threatens to become sluggish, a few more conventional action set-pieces are trotted out. Still, if it's ripe atmosphere and a smart, livewire performance you want, *Heaven's Prisoners* is worth seeing.

Abu Ghosh chorales: Worth the uphill trek

HELEN KAYE

IT'S that time of year when Abu Ghosh groups toil up the hill for sacred music among the glorious acoustics of the Kiryat Yearim church and trip back down it for more of the same plus a bit extra, at the ruder church in the village.

The 196 Abu-Ghosh music Festival idrom October 3-5, at the tail end of Succot, with 14 concerts encompassing Bach to the Beatles. Two performances of Faure's beautiful requiem open the Festival with the Ichud Choir, baritone Dani Ettinger, and the Kibutz Chamber Orchestra conducted by Doron Salomon. The closing concert on October 8 features Bach's little played gem, the Lutheran Mass (for the first time at a festival), together with a Mozart Te Deum, a Magnificat by Palestrina and a Motet by Orlando

di Lasso, all played by the Ra'anana Symphonite.

In between, the eight concerts at the Kiryat Yearim church include Brahms' songs with two horns and harp together with Britten's delightful (if a tad unseasonable) A Ceremony of Carols I, performed by the Hemiola Choir conducted by Rachel Cochavi Leventer; the Ramat Gan Choir conducted by festival music director Hana Tzur in a program called Mass and Requiem by Dvorak, Puccini and Villa Lobos, and a couple of visitors.

These are Belgian counter tenor Michel Puissant with Academia Daniel ensemble of seven players (authentic instruments) with conductor Harpsichordist Shalev Ad-El in an all baroque, and very

familiar, program of Bach and Vivaldi, and the Christians and cathedral choir from Norway. They'll sing motets by Bach, Grieg and Britten.

Down the hill the Crusader church concerts include the Albanian Womens Choir from the Tirana Music Academy singing Albanian church, romantic and folk music; Love Is as Strong as Death — a program of 24 (isn't that overdoing things?) Italian arias with more of the same, but from the baroque — Handel, Scarlatti, Monteverdi — sung and played at a different concert in the crypt.

Of course there are free recitals outside, a shuttle bus between the parking lots and the festival, and the Abu-Ghosh signature, community chorale-singing daily under the pines. Tickets are from NIS50-80 with package deals available.

Brando's mad scientist mutation No. 435

BIG as the house that squashed the Wicked Witch of the East, occasionally painted white so that he resembles a big dish of wiggly vanilla pudding and offering a prissy Etonian accent that sounds just like Sir James M. Barrie's valet, Brando essays an impersonation in *The Island of Dr. Moreau* that makes his jungle-mad Col. Kurtz in *Apocalypse Now* seem like the very model of decorum.

The movie isn't actually a derivative of *Heart of Darkness*, it only seems that way. But the source of this tale is a long-forgotten anti-vicefictionist novel by H.G. Wells that occasionally makes it to the cinema (last time: 1977, with Burt Lancaster and Michael Crawford). This one is *Mad Scientist Mutation No. 435* (subgenre: tropics/subsubgenre species crossbreeding).

Brando's Dr. Moreau appears to be attempting to locate the genetic source for man's aggression and violence, but the science is never clearly explained. Mainly what he's doing, is playing a game of pin-the-tail-on-the-donkey with real tails and real donkeys, as well as cats, bears, lions, monkeys and men, whom he's scrambled genetically or surgically so that his island looks like a production of *A Midsommer Night's Dream* put on by the patients of an asylum.

Into this tropic hell comes the tall, commanding, above all rational figure of... Val Kilmer, right? Wrong. Actually, Kilmer is one of the most physically grotesque human figure in the movies: a long, tall, gangly fletch of a man who looks already crossbred to a whooping crane without Dr. Moreau's ministrations. They've stuck him in the heroic role of the

innocent outsider who's present at the apocalypse.

The strangeness of Thewlis's assignment is extreme, when one considers that originally the Pooh-bear actor Rob "Cuddles" Morrow was to play the part. Thewlis is, at least, a disciplined professional doing his honest day's labor in the hot sun.

Kilmer, meanwhile, is trying to out-ham Marlon Brando, which is like trying to out-hoot the Hoopsters Girls.

Brando comes on as if he's jovially insane from having watched too many of his own recent films. Odder still, he seems to have borrowed the Popemobile for transportation as he travels majestically among the dog-boys and girls. But, as he learns, it isn't nice to fool with Mother Nature: She bites back.

The plot turns on the revenge of the dog-boys who, once they figure out the doc's mechanism of control, defuse it and express their own inner bestiality. At the same time, a number of decent actors — Ron Perlman for one, Temura Morrison of *Once Were Warriors* for another — are lost behind their dog-boy faces. The one impressive member of the cast is a very tiny man who appears in a wordless role as Dr. Moreau's pet. I mean very tiny: I've never seen a man so tiny.

Poor old John Frankenheimer, who took over the troubled production on location after another director had fled. Frankenheimer — the distinguished director of *The Manchurian Candidate*, *Seconds* and a number of other early '60s riveters — got the movie made on the force of his sheer professionalism.

Against the runaway egos of the cast, he has created something that is compelling at its most

superficial level, though it never triumphs over the rotting splendor of its own folly.

(The Baltimore Sun)

Jinks in High C

HELEN KAYE

A ROMANTIC cruise, opera style, is the theme for this year's Opera Ball at the Tel Aviv Performing Arts Center on Saturday night.

The New Israeli Opera threw its first big bash on Purim last year and it was so successful that it will become an annual event. Everybody who's anybody will be there, dressed to the nines, because in Europe, the opera ball is usually the event of the season.

And it's for a good cause; tickets cost NIS 400 and the proceeds will go for NIO youth programs. Party goers will have champagne and hors d'oeuvres in the lobby and then it's off to the main stage, that has been given a nautical look for supper, opera and dancing until dawn.

Sassi Keshet and Efrat Rotem will host a program of favorite arias. The singers, who've all donated their services, include Gabi Sade, Vladimir Braune, Soile Isokoski (Finland), Anja Kampe (Germany), Marina Levit, Susanna Poretzky, Efrat Rotem, Yevgeny Shapovalov, Jorje Yivvusti (Finland) and Larisa Tatuev.

**SEE IT IN HEBREW
HEAR IT IN ENGLISH!**

MIDNIGHT PRAYER
(Tikkun Hatzot)
September 3 at 8:30 p.m.

A new production that deals with the identity crisis of a young Sephardi man torn between the ultra-orthodox Ashkenazi sect which adopted him and his Sephardic origins, in a world where the two communities are completely separated. ... a convulsive frontal explosion of Sephardi resentment against Ashkenazi attitudes.

- Naomi Doudai

BOX OFFICE: 03-523 3335 • FAX: 03-5230172 • SUBSCRIPTIONS: 03-5245211
The Cameri Theatre can now be found on the Internet at the following address:
<http://www.cameri.virtual.co.il>

**THE THEATRE OF TEL AVIV
CAMERI**

Located in the heart of Tel Aviv on lively Dizengoff Street, the Cameri is just a few minutes' walk from beachfront hotels. Easily accessible by bus or taxi.

In cooperation with the Ministry of Tourism, Tel Aviv and Central Region

The Jerusalem Post
ent
amilla
battle
n visit
memorial

THE JERUSALEM POST

F. DAVID RADLER, Chairman, Board of Directors
YEHUDA LEVY, President & Publisher

JEFF BARAK, Managing Editor
ALEX ISRAEL, Associate Editor, Copy
DAN IZENBERG, News Editor
DAVID BRINN, Night Editor
SAM ORBAUM, Features Editor
THOMAS O'DWYER, Foreign Editor
JUDY MONTAGU, Op-Ed Editor
AMOTZ ASA-EL, Business Editor

AVI GOLAN, Executive Vice President, Marketing & Advertising
PAUL STASZEWSKI, CPA, Vice President, Finance
YOSSI HORN, Vice President, Production
STANLEY SCHRIGER, Circulation Manager
BENZION MILLER, Tel Aviv Office Manager

EDITORIAL OFFICES AND ADMINISTRATION The Jerusalem Post Building, P.O. Box 81, Romema, Jerusalem 9100
Telephone 02-531-5666, Fax 02-538-9527, CIRCULATION—02-531-5610, Fax 02-538-9017, ADVERTISING—02-531-5628,
02-531-5637-40 Fax 02-538-9408, TEL AVIV: 5 Rehov Hamasgar, P.O. Box 28398 (61283) Telephone 03-6390333, Fax 6390277,
HAIFA 20 Nirdam, Haifa Hachemed, Telephone 04-8623166, Published daily except Saturday, in Jerusalem, Israel by The Palestine
Post Ltd. Printed by The Jerusalem Post Press in Jerusalem. Registered at the G.P.O. © The Jerusalem Post 1996. Reproduction,
storage in a retrieval system, or in any other form, is prohibited without permission. Editors: 1932-1995 GERSHON AGRON, 1955-
1974 TED LURIE, 1974-1975 LEA BEN-DOR, 1975-1989 ARI RATH and ERWIN FRENKEL, 1990-1992 N. DAVID GROSS
INTERNET EDITION: http://www.jpost.co.il General E-mail: jpost@jpost.co.il Editorial E-mail: editors@jpost.co.il
Subscriptions E-mail: subs@jpost.co.il

Civics lesson

THE threats on the life of Supreme Court President Aharon Barak continue unabated, despite the condemnations issued last week by the prime minister, chief rabbis and the president, or the attacks on the Supreme Court and on Barak himself, in a number of haredi newspapers.

The continuation of this intolerable state of affairs is due in no small part to the fact that haredi leaders and spokesmen have not retracted their attacks on the authority of the Supreme Court and their labeling of Barak as an "enemy" and "dictator." Although they insist that they intend no physical harm to anyone in their demands to limit the court's powers and change its composition, the effects such words can have on even one unstable individual are too dangerous to be glossed over. A responsible leadership must carefully measure its messages, before it has cause to express its regret.

The haredi leadership would also be wise to consider whether it really wants its demands met. It has been careful to couch its criticisms of the Supreme Court in impressive-sounding legal terms: restraint of judicial activism, parliamentary sovereignty, democracy and majority rule. While these are certainly all issues worthy of serious debate, there is something curious about a minority sector of society raising them. Would the haredi community, for example, accept the direct expression of the secular

majority if such issues as the closing of Rehov Bar-Ilan, or state recognition of civil marriage in Israel, bypassed the Supreme Court and were put to a referendum? More dramatically, how would it react to a majority decision to limit the free expression of religion?

It is always easier to remember the times that the court has ruled against one's interests and to forget the protection that the court system grants. Even if the haredi sector ideologically rejects secular values — which is its legitimate right — it cannot ignore the fact that it is a minority here, and therefore needs the protection provided by such secular concepts as individual and minority rights. It seems, unfortunately, that there is a lack of understanding of the role of the Supreme Court in a democracy but this is not only true of haredi society, but of all segments of the Israeli public.

As the school year opens, educators throughout the country must go beyond the slogans of democracy and explain as best they can the subtleties of the democratic system, the concepts of rights and responsibilities, the fine balance between majority and minority rights, between the individual and the collective, and the roles that each of the branches of government — legislative, executive and judicial — have.

Indeed, as we approach the New Year the whole country, adults and children alike, could do with a serious civics lesson.

Curious peace deal

THE Chechens may have been singing and dancing over their perceived victory in the fight for independence from Russia, but the real value of the peace agreement, which national security chief Alexander Lebed proclaimed as ending the miserable war, remains clouded in uncertainty. Most people here heard declarations that "the war is over" too many times to start celebrating.

Oddly enough, at the center of the uncertainty is President Boris Yeltsin himself. Excitement over the breakthrough pact negotiated by Lebed and the Chechens quickly faded amid rumors that Yeltsin — again vanished on vacation — does not approve of it. He was quoted as saying it needed "additional evaluation and assessment."

The hesitation seemed to be further confirmed by Yeltsin's subsequent silence and by the oblique comment of Prime Minister Viktor Chernomyrdin, who merely said that the supposedly sealed accord is "on the right track along the way." He added the overused political cliché "we have to move forward," but without damaging Russia's interests.

This indicates that the sticking point for the Russians in the Lebed plan is the implied promise to consider Chechnya's independence claims in five years, if they refrain from pursuing it by violent means in the interim. The peace accord was signed on Saturday by Lebed and the Chechen rebel commander Aslan Maskhadov, but the ink was scarcely dry before doubts that Yeltsin would validate it surfaced. Yeltsin's whole attitude to the negotiations has become something of a mystery — first he put Lebed in charge of finding a solution, then chided him for not moving fast enough, and finally distanced himself from the whole affair.

All previous attempts to end the Chechen war have failed but this one is far bolder in scope. Moving beyond the aim of simply achieving a cease-fire, Lebed — who has long made it clear he couldn't really care whether Chechnya secedes or not — has plunged through the thorny field of the province's political status within the Russian Federation. Under the new peace agreement, both sides are committed to resolving the dispute by December 31, 2001. The Chechens have seen this as a concession to their aspirations for independence, hence the celebrations. Yeltsin probably has reached the same conclusion — and doesn't like it. Until these differences in attitude are clarified, the peace agreement must be seen as just as shaky as any that preceded it.

There also remain curious unsolved issues, which seem to reflect the rivalries that swirl endlessly through Kremlin corridors rather than difficulties with the Chechens. The biggest of these is what is to become of Chechnya's Kremlin-backed leader Doku Zavgayev. Chechens view Zavgayev as a Moscow puppet and traitor. But for Moscow to remove this elected official would be too open an admission of Russia's defeat at Chechen hands.

Yet a glowering Lebed, asked about Zavgayev by a journalist, said: "What do you mean asking about Zavgayev's power? Did he have any?" Since the man's power was granted by the government Lebed represents and was installed by force of Russian arms, the matter raises more questions about exactly what kind of deal Lebed has cut in Chechnya. Yeltsin may well conclude this looks more like another fine mess — one of his aides has gotten him into, rather than out of.



Hitting where it hurts

CROSS-cultural dealing necessitates studying the other side's decision-making process and the personal interests of the individuals involved in it.

One of the most common and serious mistakes negotiators make is to assume that the other side reasons and arrives at decisions in a manner similar to theirs. Such mistakes often occur, for example, in negotiations between Western and Japanese businessmen.

They also occur in world politics, and nowhere more so than in Israel's perception of Syria, a country whose politics is characterized by the constant struggle between the ruling Alawite minority and its rivals, such as the religious elements within the Sunni majority that were fiercely repressed during the 1982 uprising.

The regime's violent attempt to survive — which even saw President Assad putting down coup attempts by his brother Rifat during the mid-1980s — is the dominant if not the sole item on the Syrian agenda.

The Syria nation, which unfortunately has failed to create a mortgage-paying middle-class or even a meaningful intelligentsia, has a noteworthily role in determining its own future. Any Israeli attempt, therefore, to analyze the Syrian decision-making process "in our own image" is doomed to failure.

No course of dealing with Syria — neither economic incentives nor political measures, or even international sanctions — can influence Assad's regime, any more than they have impressed Saddam Hussein's.

Far from threatening the Syrian regime, direct Israeli-Syrian military tension could even serve as a useful tool in avoiding internal problems, keeping problematic sectors of the population on the front line — far away from Damascus — and maintaining the attention of what public opinion

RON TIRA

there is focused on the international arena.

Israel, it is important to remember, has always defined its war goal in terms of destroying the Syrian army, and not the Syrian regime. Consequently the traditional carrots and sticks Israeli uses keep missing their purpose.

Any Peres-like vision of full peace resulting in openness and the generation of wealth would also result in the emergence of a Syrian middle-class, which

How can Israel deal effectively with Syria? Drugs provide one answer

would then pose a major threat to the regime.

Peres's alternatives to Israeli control of the Golan Heights — the proposed regional security schemes and arms control — if efficiently constructed would limit Assad's ability to use force against his truly endangering enemies from within.

Not surprisingly, when Assad was given the opportunity to choose by the previous Israeli government he chose to maintain the status quo, leaving Israel only 50 km. away from the Syrian capital yet maintaining the edge in his internal struggle to survive.

The Syrian regime has a proven track record of making decisions in a cold and calculated manner. It will not opt for an eruption of hostilities, as suggested by some, merely because of statements made by Prime Minister Netanyahu on CNN.

But it could favor hostilities if its interests so dictate, regardless of how appealing Israel is — for example, if its demographic problem increases (recent figures

indicate a substantial rise in the number of young unemployed Sunnis).

SO HOW can an insight into Assad's world be used to deal with him effectively? Drugs provide one answer.

Syrian leaders, as well as military and security personnel, earn over \$1b. a year from their Lebanon-based drugs trade. A US Congressional report implicates high-ranking Syrian officials such as Defense Minister Mustafa Tlas, powerful intelligence commanders like Ghazi Kanaan and Ali Dubah, and members of Assad's own family in drug production, processing and trafficking, predominantly via Lebanon.

Syrian military positions in Lebanon are often bordered with cannabis and opium fields, as well as heroin laboratories.

And while huge profits go to the senior figures in Assad's regime, even low-ranking Syrian officers reportedly collect as much as \$30,000 a year — at least 30 times the normal wage in Syria — from drug-related activities.

Pentagon sources characterize the phenomenon as "the glue that keeps the Syrian military together."

The way Israel can maintain pressure on Syria is by dealing with its small ruling class, whose members pursue their own self-interest.

Israel must send them this key message: Any undermining of Israeli interests will carry a price — for the first time in a currency they hold dear.

The knowledge that their cannabis and opium fields and their heroin labs could be destroyed is something that would finally make these people sit up and pay attention.

The writer, former head of a section in IAF intelligence, now practices corporate law in Tel Aviv.

An ostrich would be envious

THE attitude of total helplessness from officials and the apathy one senses from most Israelis on the subject of illegal foreign workers is just one indication of our deep social crisis.

In three years the phenomenon of illegal workers has grown to monstrous proportions. Nobody, in fact, knows exactly how many illegal workers there are in the country today.

Those who would play down the problem put the number at 100,000, close to 2 percent of the country's total population. Alarms would have us believe that the real figure is nearer 400,000 — a little over 7 percent.

Why our economy, or at least its private sector, needs foreign workers isn't hard to explain. In Western societies — and Israel is one — money rather than labor is idealized and welfare payments are frequently higher than the legal minimum wage. The result is a great shortage of manual workers, even in periods of high unemployment.

Until the terror wave of spring 1993 it was primarily Palestinian workers from the territories who filled the demand for manual labor. In many respects this was ideal, for the employers at least. They had an unlimited supply of laborers willing to work for less than the legal minimum wage, usually without social benefits, who didn't have to be housed since their homes were relatively close.

The one hitch was the personal security of the Israeli population. Your average Palestinian terrorist doesn't look any different from the average Palestinian worker who just wants to feed and clothe his family. And the fact that thousands constituted no more than 0.5 percent of all those cross-

SISAN HATTIS ROLEF

ing in Green Line every day in search of a living didn't reduce the risk these terrorists embodied or the legal nature of what they planned.

Foreign workers, coming from the world's poorest countries and willing to work for even less than the Palestinians, began pouring into the country in spring 1993. And even then the authorities had pre-

What a rotten job we have made of dealing with our legal worker problem

pared for the social implications of the new phenomenon, ensuring that these workers' employment conditions didn't recall something out of Charles Dickens, major problems would still have remained.

The presence in a cotry of 100,000 or more tired, lonely men separated from their families is a clear recipe for trouble.

BUT NOT only did the authors do nothing to try to confront the problem, they sowed the seeds of a worse one: illegal workers. The policy of former labor and social affairs minister Ora Narnir was to make it very difficult to bring in foreign workers legally.

I was treated to a personal trip down this particular Via Dolorosa. When the price of employing Israeli women to care for my mother became exorbitant (NIS 12,000 a month, excluding house-

work) I tried to bring in a Filipina. It took me five months and a good deal of what's known as Vitamin P to obtain a permit. By contrast, I could have got an illegal worker in a couple of days.

After the flow of foreign workers began, it gradually became evident that with all Israel's security-mindedness and the hours it takes to get through security when leaving the country from Ben-Gurion Airport, as far as entering it is concerned our borders are like a sieve. Thousands of illegals began to pour in.

And once they are in the country — and degrading working conditions often make legal workers abandon their original employers, thus becoming illegal ones — very little effort is made to locate them. Worse, little effort is expended in making Israeli middle men — the social scum involved in this new slave trade — feel the weight of the law. Such an effort requires manpower and will, and neither, it seems, is available.

Instead our Jewish genius is busy figuring out how to build "transit camps" for the illegals, who are to be deported — 1,000 a month — while Mr. and Mrs. Average Israeli act according to the well-tried convention of "What I don't see doesn't exist" and make sure they stay clear of the main areas of misery and degradation, places like the old central bus station in Tel Aviv.

Blessed be the system of laissez-faire economics, social Darwinism and our leaders of both political camps, who long ago threw away their ideologies, moral values and human sensitivity in favor of winning primaries or the blessings of pious men."

The writer is a political scientist.

Passive on Pollard

YOSEF BEGUN

FOR decades in the Soviet Union there were Jews whose fate was the focus of the entire Jewish world. Prisoners of Zion were accused and imprisoned for their activity on behalf of Israel.

Yes, on that point our prosecutors and judges were correct: Our "crimes," aliya and the renaissance of Soviet Jews, were done for the sake of Israel, as well as for ourselves. And when we were sent to Soviet prisons, Jews all over the world did everything possible to liberate us.

This fight for the freedom of "captive" Soviet Jewry will go down in history as a good example of Jewish solidarity and the reality of our moral imperative: Every Jew is responsible for every other Jew.

It would seem that there are no longer any Prisoners of Zion, but it is not true. There is Jonathan Pollard. A different case, yes... but still the same. Political intrigue surrounding the case influenced the decision of the jury, suggesting anti-Jewish influence.

Much has been written about the disproportionate severity of Pollard's sentence compared with those of others who spied for the allies of the US. As *The Jerusalem Post* of July 29 stated, "Pollard has fallen victim to what can only be called an act of arbitrary injustice."

The Americans' behavior in the Pollard case is a matter for their own consciences. But what is really difficult to understand is our own Jewish position. From the Israeli government and the American Jewish establishment must come the initiative and the action to help Pollard.

FROM ANY point of view Pollard deserves his freedom after 11 years of imprisonment. Under public pressure, on the eve of the recent elections, the previous Israeli government granted him Israeli citizenship, and many representatives of competing parties

Is each Israeli his brother Jonathan's keeper? Yes — particularly former Prisoners of Zion

expressed their commitment to securing his release.

But the elections have passed and Pollard remains a prisoner, without any sign of his situation being alleviated.

President Clinton, who is so fond of expressing his concern about Israel's security, is in no great hurry to grant Pollard his freedom, no doubt as a result of the low profile senior Israeli officials have kept regarding his case.

There are said to be political reasons for this... perhaps. But there is no excuse for the lack of public outcry for the freedom of this imprisoned Jew.

The fight for the freedom of Russian Jews witnessed a similar phenomenon in the 1960s, when the Israeli government kept a low profile on the complex issue because they were afraid to irritate the Soviet government.

Moved to take action, a massive public struggle on behalf of Russian Jews spontaneously arose in the early 1970s. As a result of this grassroots activity the politicians became more active.

Some say that the Pollard case is very different from that of the former Prisoners of Zion in the USSR.

Is it? After all, who is Jonathan Pollard? He is a Jew who put aside his personal life and freedom in the interest of the Jewish state. He gave Israel information about treacherous Iraqi plans against the Jewish state. During the Gulf war it was clear that Saddam Hussein would stop at nothing to cause irreparable harm to Israel.

Pollard, realizing that the Pentagon wanted to conceal this information, vital for Israel's security, gave it to our country.

In other countries people like Pollard are hailed as heroes. In Israel a Jew who risks his life and freedom on behalf of the Jewish state is a national hero?

Former Prisoners of Zion sought to have a very passive attitude toward the Pollard case. As one of them, who received enormous support from American Jewry to obtain his freedom, I have a moral dilemma about not helping American Jewry in need.

We have no right to be passive. Public activity on the part of former Prisoners of Zion would be a lot in the Pollard case. It is a moral obligation to aid Jonathan Pollard.

The writer is a former Prisoner of Zion.

LETTERS TO THE EDITOR

WRONG MESSAGE

Sir, — With reference to the increase in public transportation fares recently levied, I understand that the government has determined that we are now in a fiscal crisis and that measures need to be taken to alleviate the problems. I disagree. I feel that the government is wrong in its assessment and even if (arguably) not, it is wrong in its choice of solutions. The cut-backs including the public transportation fare increase are hurting those who in large proportions voted for the current government as well as those of us who did not. I am concerned with how these cuts will continue to hurt the progress that we have made in Israel, especially since 1992.

The increase in public transportation fares will not only hurt many of us financially, but it sends a message that environmental protection and inexpensive and efficient public transportation is not a priority in Israel. Along with plans for the Trans-Israel Highway, the price increase says that it is better to take the car than to go by public transportation.

We need creative solutions. The recent ground breaking for the Tel Aviv subway is a good example of a creative solution. Another would be a switch to electric buses in our cities, a concentrated effort to build a high speed rail system as well as bicycle-friendly streets and motorists.

If we really believe that this is the "Holy Land," then we need to start acting that way towards it.

LOU FRANKENTHALER
Jerusalem.

NO SMOKING

Sir, — While it is certainly commendable that Health Minister Tzahi Hanegbi has promised to enter the battle against smoking (August 26), I must confess my skepticism about his ability to succeed in an area in which limited success is the precedent. It is not his capabilities which are in doubt, but the lack of public cooperation, coupled with a lack of consideration for others and complete disregard for the laws already in effect, which lead me to draw this conclusion.

The laws banning smoking in the work place are nothing more than a joke. I write this as I sit in my office in a government ministry with smoke wafting under my door, no doubt coming from the ever-present smoker sitting next to the ashtray under the "no smoking" sign in the corridor. In two previous work places, I was forced to inhale second-hand smoke in the elevators, in the lunchroom, and even in my own work space, coming from people

who would only "be a minute" in my presence with their cigarettes. When asked by my co-workers and me to extinguish the cigarettes in clearly marked non-smoking areas, these people usually responded with laughter, condescension and rudeness. People smoke freely in hospitals, with staff and visitors alike puffing away as if there were no tomorrow. Waiters and waitresses are hesitant to ask smokers to put out their cigarettes when sitting in the non-smoking section. The list goes on and on.

Until the existing laws regarding smoking are enforced by the authorities, I am afraid that Mr. Hanegbi's well-intentioned actions will not have their desired impact in the war against smoking. I have been told that the State of Israel has come a long way in this ongoing battle, but in my opinion, it still has a long way to go.

LIZA FARACHDEL
Re'ut.

WILLIAM HECHLER

November 8, 1988. I have not heard from David Pileggi for some years and am unable to locate a current address for him. A number of people in South Australia are interested to know about the progress of the biography. If it has been abandoned, we would like to know which safe archive has been chosen for the storage of the valuable original material I sent. Perhaps some of your readers may help.

KINGSLEY IRELAND,
128 Penrice Road,
Angaston, South Australia.
Angaston, Australia.

Handwritten note in Arabic script: "صلى الله عليه وسلم"

Lone Rangers

For Both Dole and Clinton, Congress Can Be a Real Problem



The Democratic National Convention, closing in a confetti storm, was the President's show. Lesser Democrats, who have a chance of retaking Congress, had bit parts.

By DAVID E. ROSENBAUM

THE argument was made time and again last week at the Democratic National Convention: Bill Clinton must be re-elected, because a Democratic President is the last line of defense against an onslaught by a reactionary Republican Congress.

It was a main theme, for instance, of Vice President Al Gore's speech Wednesday. "They want someone in that Oval Office who will rubber-stamp their plan," Mr. Gore said of the Republicans. "That's why they want to replace Bill Clinton. But we won't let them."

A new Democratic television advertisement being broadcast around the country

asserts, "Next year, if Newt Gingrich controls Congress and his partner Bob Dole enters the Oval Office, there'll be nobody there to stop them."

What goes unsaid is that this argument presumes that in November the Republicans will retain control of Congress, which they took from the Democrats just two years ago. That is a fairly good bet. But it is by no means a sure thing.

Charles E. Cook Jr., who publishes a political newsletter and who is viewed in Washington as the most reliable nonpartisan handicapper of Congressional races, figures that Democrats have, perhaps, a 40 percent chance of regaining control of the House and a 1 in 3 chance of winning the Senate.

But members of Congress played only a bit part here last week. Those who spoke

The conventions cared only for the top of the ticket. They had their reasons.

did so, for the most part, well before prime time on television. And when the main speakers like Mr. Clinton, Mr. Gore and the keynoter, Gov. Evan Bayh of Indiana, referred to the Congressional races at all, they did so only in passing.

At their convention in San Diego, Republicans shrank from mentioning their

control of Congress. Speaker Gingrich, who two years ago was the man most responsible for Republicans' winning a majority of the House and Senate for the first time in 40 years, was kept under tight wraps. No mention was made of the Contract With America, the manifesto on which many Republican Congressional candidates ran in 1994. In his speech accepting his party's nomination, Bob Dole, who spent most of his adult life in Congress, did not talk at all about Congress or his service there.

In one respect, it is no surprise that Congress took a back seat at the conventions. After all, the main focus of party conventions is the Presidential and Vice Presidential candidates. This is doubly

Continued on page 3

More Political Coverage

Conventional Design
The message is the same, at three hours or three minutes.

By James Bennet

3

GORE

Thank You, New York
A gift to Clinton: the lower national crime rate.

By Clifford Krauss

4

Social Science

Academics dare to ask: Just what is Newt Gingrich?

By Adam Clymer

4

ARKANSAS

Intimacy and the Democrats

So the Personal Does Turn Out to Be Political

By ADAM NAGOURNEY

WHEN Bill Clinton found his purported marital infidelities splashed across tabloid pages during his first run for President, he and his aides fought back furiously, challenging reporters to explain what relevance such tales about a candidate's personal life had in a political race, particularly when presented in a supermarket tabloid.

But when Dick Morris, the President's chief political strategist, found himself hoisted last week in the same newspaper, and over similarly unsavory allegations — that he carried on an affair with a call girl at one of Washington's most distinguished hotels, where he mixed moments of intimacy with revelations about White House business — none of Mr. Clinton's aides even tried to suggest that Mr. Morris's personal life was out of bounds.

In truth, after the convention staged by the White House last week, how could they?

Putting aside the question of Mr. Morris's guilt or innocence — he resigned upon publication of the report in the tabloid Star but said he would not dignify the allegations with a response — Mr. Clinton's campaign apparatus had just produced a nominating convention that was, from start to finish, larded with intimate stories about the lives of the Clinton and Gore families. The disclosures might not have been as sensational as those in Star, but they were surely personal, as Mr. Clinton's campaign pushed American politics even further into territory where personal experience counts as much as — indeed, more than — policy and ideology.

Indeed, after the Democrats finished their four days here, most viewers could be forgiven for wondering if they had just endured a particularly grueling afternoon of talk shows. Jeff Greenfield, the ABC political commentator, was not joking when he suggested in a conversation the other day that Ricki Lake, the syndicated television talk show host, "should have been the chair of this convention."

A Sister and a Brother

There, in prime time, was Vice President Al Gore solemnly recounting in painful detail, as the cameras focused on delegates dabbing at their eyes, his sister's death from lung cancer, right up to her final breath. The next night, the President of the United States shared with his audience the redemptive story of how his brother, Roger, had fought to overcome cocaine addiction.

"Drugs nearly killed my brother when he was a young man and I hate them," Mr. Clinton said, a slight tremble in his voice and an edge in his eye. "He fought back. He's here tonight with his wife. His little boy's here, and I'm really proud of him." As Mr. Clinton gestured to the back of a hall, a spotlight illuminated Roger Clinton in the family box. For a moment, the Democratic National Convention felt like a revival meeting.

Even Chelsea, the Clinton's 16-year-old daughter, was not left out. The Clintons had once been vigilant about protecting her privacy. Last week, Mrs. Clinton shared with the world Chelsea's night at the hospital after a tonsillectomy. ("That night, Bill and I couldn't sleep at all," Mrs. Clinton said.) For the rest of the week, young Chelsea was a more common sight here than

Continued on page 3



Dick Morris and his wife, Eileen McGarr, at the wheel, arrived home in West Redding, Conn., Thursday. Mr. Morris resigned and left Chicago when a tabloid reported that he had had an affair with a call girl.

The World

Why Some Vote Yes for Bosnia's Flawed Elections

By CHRIS HEDGES

SARAJEVO, Bosnia and Herzegovina
In a large warehouse in downtown Sarajevo, thousands of ballot boxes and cartons of pens, ballot seals, ink stamps and posters are stacked up to the ceiling. The paraphernalia is now being laboriously trucked to NATO bases in Bosnia for delivery to polling centers in time for elections a week from this coming Saturday.

But the seeming efficiency of such logistical preparations cannot gloss over the absence of political preparations needed to give peace and democracy in Bosnia even a remote chance. The elections, in fact, seem set to cement in place the ethnic partition of Bosnia — the very outcome that negotiators sought to avoid when they devised the voting as part of the Bosnian peace accord forged in Dayton, Ohio, last November.

The Campaign Strategy

Last week the chief international election supervisor for Bosnia, Robert Frowick, a retired American diplomat, postponed voting for municipal governments that was to have been part of the elections on Sept. 14.

Attacks against opposition candidates, the inability of refugees to return home and confusion over voting lists apparently convinced monitors that local balloting in disputed towns and villages would be unmanageable, with a high potential for violence. But ostensibly more manageable regional and national elections will proceed as planned, even though those races are plagued with the same problems.

Why are elections going forward when the requirements for a free vote — like freedom of movement, freedom of speech and freedom of assembly — are denied to most Bosnians? And what, given these conditions, are the elections meant to accomplish?

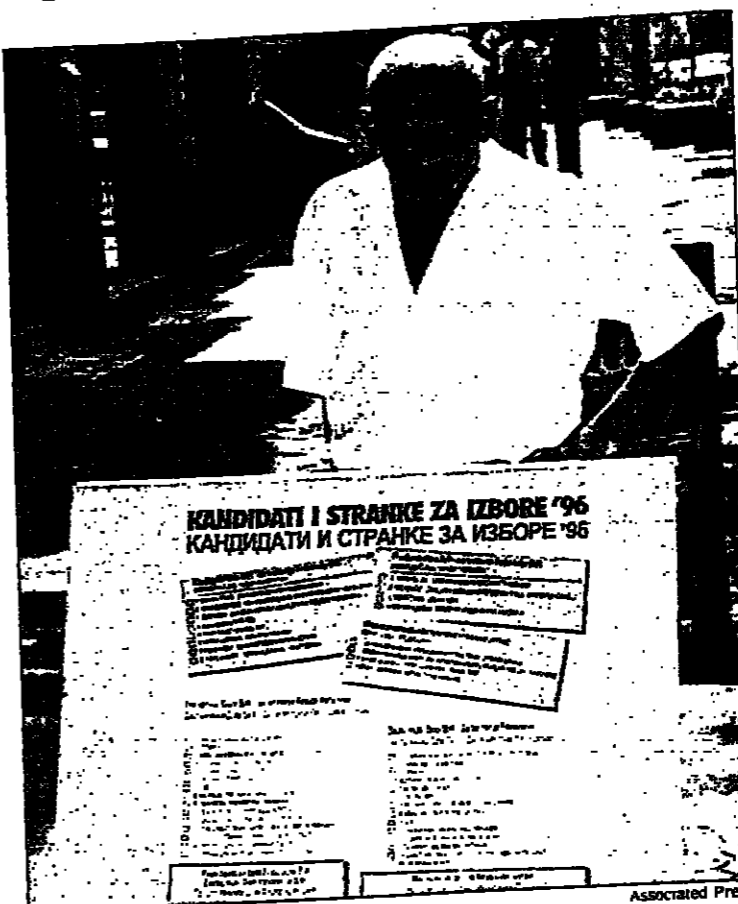
The answers lie in Washington. The Bosnian elections have at least as much to do with the re-election strategies of the Clinton White House as with the electioneering here. A delay in the Sept. 14 vote would stir doubts among American voters about President Clinton's pledge to have American peacekeeping troops largely out of Bosnia by the end of the year. The 53,000-member NATO force in Bosnia is scheduled to begin withdrawing on Dec. 20, and Americans by and large would prefer not to have the 16,000 American troops in it stay a day longer.

But critics of many stripes are already calling for a postponement of all the voting — striking them Bob Dole, Mr. Clinton's Republican opponent, who last week in a letter to the President called the elections a "sham in the making." In any case, some extension of the NATO force's mandate, with or without a significant American component, appears likely after the American elections.

For now, however, Washington is pressing its timetable. After Mr. Frowick announced the delay in municipal elections, officials of the National Security Council warned him



Agence France-Press



Associated Press

An American soldier, left, tries to stop an angry Bosnian Muslim from throwing a stone at Serb policemen detained after the Serbs assaulted Muslims returning to their homes. Above, a Bosnian Serb at a polling station for absentee voters in Belgrade.

that they would have to be rescheduled to take place before Dec. 20. Not one of Mr. Frowick's aides believes the irregularities in the local contests can be solved by then.

Such hints of the outside world's uncertain resolve toward Bosnia are noted well in this once ethnically mixed former Yugoslav republic, now divided into Muslim, Croat and Serb enclaves after four years of war. The Bosnian Serb leadership — responsible for the siege of Sarajevo, the execution of more than 4,000 people in Srebrenica and "ethnic cleansing" — wants to see the elections take place as planned, too, but for reasons quite different from the Americans'. It sees them as an opportunity to ratify its wartime conquests with an international imprimatur. It is confident it will win big, because it has stacked the deck in its favor.

Outsmarting Muslim opponents, Serb leaders have exploited an election rule that allows people displaced by war to cast ballots in places where they would like to live, regardless of whether they ever resided there. The Serbs have organized 123,000 voters to register to vote in towns like Srebrenica, once mostly Muslim but now controlled by the Bosnian Serbs.

In Serb-held areas, the ruling Serbian Democratic Party makes certain that anyone foolish enough to challenge its suprema-

cy is subject to intimidation or worse. Its will is enforced by the Bosnian Serb army, controlled by Gen. Ratko Mladic, and the police, loyal to Radovan Karadzic, the Serbs' political leader. General Mladic and Mr. Karadzic remain the party's powers behind the scenes even though as indicted war criminals they have been required to yield influence under the Dayton peace process.

"It is as if we allowed the Nazi party to compete in postwar elections in Germany and then permitted the SS to handle internal security," said Kris Janowski, a spokesman for the United Nations High Commissioner for Refugees.

Surrounded

Last week, in a sign of escalating tensions, American troops detained more than 60 uniformed Serbs who attacked Muslims trying to rebuild their homes in a Serb-controlled village.

Croatian and Muslim nationalist parties in their respective parts of Bosnia have also compromised the credibility of the vote, although in less egregious ways. For example, the President of the Muslim-led Bosnian Government, Alija Izetbegovic, has blocked TV broadcasts designed to allow independent candidates to be heard.



The New York Times

The Bosnian Government — left with only 30 percent of the republic's territory after the Dayton accords halted the fighting — remains surrounded by hostile neighbors, including ethnic Croats who are nevertheless nominally linked with the Bosnians in a federation. Without integration with their neighbors and the delivery of promised inter-

national aid, the Bosnian Muslims cannot build a viable state economically or politically, or hope to credibly restore a semblance of the republic's prewar territorial integrity.

Their only realistic options are an extension of the international presence here or a resumption of their fight to regain control of the country, which in the eyes of the international community belongs to them.

If war starts again, the next Balkan bloodbath will probably be allowed to proceed with little international interference or censure, given the exhaustion of the outside powers. More likely is a continuing but inconclusive NATO presence here, leading perhaps to a prolonged territorial stalemate like the one in Cyprus, where nearly two decades later it still takes international troops to keep the warring factions apart.

For the allies to accomplish more, to forcibly remove the Bosnian Serb leadership from power, would probably mean embroiling the NATO force in a conflict with casualties. And few NATO Governments (least of all France, which lost over 50 soldiers here during the war) would be eager to explain body bags to skeptical publics back home.

Given all this, the Americans and their allies have accomplished much, perhaps all they can.

The problem is that it is not enough.

Panic Stations

Does Cost Outweigh Risk in the War on Terror?

By STEVEN ERLANGER

THE vaunted military and security organs of the United States, bereft of the clarity of the Soviet enemy or the probability of traditional war, have turned considerable attention and resources to the scourge of international terrorism, the weapon of the weak and dispossessed.

President Clinton calls international terrorism the greatest security threat to the United States. Secretary of Defense William J. Perry estimates that the United States Government alone spends \$5 billion a year combating terrorism.

That figure is likely to be dwarfed by what the private sector spends in increased security at airports and telephone switching centers, let alone in the time lost to Americans as they wait for increasingly long periods in an increasing number of lines.

But there seems to be an extraordinary

Americans are footing a huge bill to fight terrorism, even though they're relatively safe.

disconnect between all this furor and the actual damage inflicted on the United States and Americans. In 1994 and 1995 combined, exactly 16 Americans died in acts of international terrorism, defined by the State Department as involving citizens or territory of more than one country. The year before, 57 Americans died when struck by lightning.

Even if one includes the 168 dead from the domestic bombing of the Federal building in Oklahoma City in April 1995 and the 19 servicemen killed last June in the bombing of the American military barracks in Dhahran, Saudi Arabia — or the 230 people who died on T.W.A. Flight 800, possibly downed by terrorists — the figures pale next to the 42,000 Americans who died in 1993 from motor-vehicle accidents or the 31,000 Americans who killed themselves that year.



Rach Adickes/Atlanta Journal Constitution

Statistically, Americans have little to fear from international terrorism, but billions of dollars are being spent every year on antiterrorism measures, including state-of-the-art bomb-detection machines like this one at Hartsfield Airport in Atlanta.

And worldwide, the number of deaths from terrorism dropped to 44 in the first six months of 1996, compared with 85 in the same period last year.

Richard N. Haass, who is about to become director of foreign-policy studies at the Brookings Institution, likened the tradeoff between cost and risk to insurance. "What sort of a premium are we willing to pay as a society for this insurance policy, in costs and liberties," he asked, "and what sort of risk will we tolerate?"

The premium seems high right now, he believes, but it will grow. Given America's openness and its dependence on vulnerable centralized systems for water delivery, telephone service and transport, he said, "we've gotten off pretty easily."

Terrorism has a sharp political cost in that no Government can be seen to be doing nothing, even in the face of ambiguous evidence, says Morton Abramowitz, director of the Carnegie Endowment. "To find the right

balance in dealing with terrorism is very difficult," he said, "and like our drug policy, it's very heavily politically determined."

Terror Without Purpose

Walter Laqueur, the author of two influential books, "Terrorism" and "Guerrilla," thinks the cost of fighting terrorism, given the panic and death it causes, will only increase. His concern, he said, is the access to modern technology and scientific expertise of various new terrorist groups, some very small and sectarian or millenarian, "to whom no intelligence agency has paid too much attention."

"We seem to be coming to the age of purposeless terrorism," he said. "The smaller the group, the less clear the aims and the greater likelihood they just want to destroy."

Terrorists have so far used conventional weapons against specific targets, like airplanes and buildings, rather than unconven-

tional weapons, like nerve gas or biological poisons, against larger targets.

In the 1960's, says Anthony Cordesman of the Center for Strategic and International Studies, the American military conducted secret "field trials" of anthrax spores, dumping a safe facsimile on commuters leaving Grand Central Station in Manhattan and letting the wind carry more to shore from a ship anchored near Atlantic City. The military concluded that 65 pounds of anthrax, released without a sophisticated delivery system, would be equivalent to a small nuclear weapon.

But the real goal of terrorism is affecting politics and strategy, causing incapacity, intimidation and enormous pressure on the part of a victimized Government to strike back somewhere. As Mr. Laqueur says, "the real danger now is not the damage that can be done but the panic and the reaction of the public, which is not prepared," especially in a country that has become so intolerant of

casualties, even in war.

In the current furor, there are already calls for harsher laws and less worry about civil liberties. In foreign-policy terms, unilateral American efforts to isolate and sanction "rogue nations" that sponsor terrorism, like Iran, have not only elicited little support among allies but produced new resentments and divisions among them, without much damage to the target.

Waging War

William E. Odum, a retired general, former director of the National Security Agency and director of counterterrorism in the Carter White House, says context is everything. No act of terrorism has ever brought down a democracy, he says, while the leverage of the terrorist depends on the political and psychological reaction to the act. "I came to a fairly simple view," he said. "Terrorism at home is crime; terrorism abroad is war."

Washington has lots of capacity to handle both crime and war, Mr. Odum said, but operational tactics and intelligence — which by themselves do not involve large new expenditures — need to be improved. "I have no problems with economic sanctions as an instrument of diplomacy," he added. "But if it's an act of war, why not act militarily?"

While retaliation must depend on evidence, some suggest that America's threat to retaliate lacks credibility. Richard Perle, a former Assistant Secretary of Defense under President Reagan, finds it absurd that Washington merely demands that Libya turn over the men indicted for the 1988 Pan Am bombing. Mr. Reagan, after determining Libyan complicity in an attack on American servicemen in a Berlin discotheque in 1986, ordered the bombing of Col. Muammar Qaddafi's residence in Tripoli. "We were serious about it and retaliated in a way Qaddafi understood," Mr. Perle said, "and he behaved differently for years."

"Sanctions are rapidly becoming the alternative to a serious policy on almost everything," he added. "The resort to them often reflects a lack of will," which is well understood by both the intended target and reluctant allies.

The result, Mr. Haass says, is "a foreign policy of appearances, which is about how you position yourself with a domestic audience rather than the real concerns, which are about whether you're alienating your friends or influencing your adversaries."

The Nation

Few Tears for the Death of the Network Convention

By JAMES BENNET

THE curtains have rung down on the overly managed political conventions of 1996, and broadcast executives and journalists are asking themselves whether the 44-year tradition of live network coverage is doomed. What they should be asking is: Who cares?

And the answer — which is that no one really should care — should offer those same journalists hope that their profession is becoming more, not less, relevant in an age of diversifying media and increasing political infotainment.

No journalist wants to make a news judgment four years out. But, while PBS plans to keep broadcasting conventions, few at the commercial networks believe they will carry conventions live in the year 2000, except perhaps for the candidates' acceptance speeches. Barring a change, "we're headed directly to cable," said Tom Brokaw, the anchor of "The NBC Nightly News."

Andrew Heyward, the president of CBS News, was less definite. But he said, "I can't imagine devoting as much time or as many resources to convention coverage in the year 2000, unless there's a substantial and hard-to-imagine sea change."

Of course, the scripting of conventions is not new. It is no coincidence that the last contested ballot was in 1952 — the same year that CBS started covering conventions live.

But while conventions have been evolving for many years, so has television news. "The temptation is always to think in conventional old terms," Mr. Brokaw said. "The new terms are the cable audience is almost as large as the broadcast networks' now."

The change in the media coverage of the conventions has become dramatically evident this year, with the introduction of NBC and Microsoft's all-news cable channels, MSNBC.

"Who would lose, if we weren't covering it live, as long as there is the option for the viewer to say, 'I want to see it on C-Span in all its full glory?'" said Ted Koppel, the host of ABC's "Nightline."

A Handful of Hours

Republican and Democratic officials argue that the networks have an obligation to carry the conventions in prime time, pointing out that their coverage amounts to only a few hours for each party every four years.

But as Jeff Greenfield, the ABC News

correspondent, said, such criticisms spring from outdated assumptions about the roles of conventions.

One assumption is that a convention is still the best opportunity for the American people to evaluate the candidates. But this is no longer true, since the convention is scripted. "We get to hear them unscripted in debates," which started in 1960, Mr. Greenfield said. The networks are also considering a proposal to give the Presidential candidates free broadcast time to address voters directly.

Another outdated assumption, Mr. Greenfield said, is that conventions are where parties define what they stand for. That is decided in the primaries, he said.

Lastly, there is the assumption that prime time itself is particularly significant.

"The whole prime-time thing may be overrated," said Bill Kristol, the publisher of the Weekly Standard. "Whether 11 million or 15 million or 20 million watch it is much less important than what the message is that goes onto local news, and newspapers, and talk radio."

This aspect seems better appreciated by convention planners than by the networks. The conventions are so repetitive — with simple messages repeated endlessly, almost satistically, through many speeches — because neither party expects anyone, except

As the Big 3 pull back from televising hoopla, the future is cable.

committed partisans whose votes are unshakable, to watch everything. Instead, the parties rely on the press to record the conventions and to shatter them into a million tiny pieces, to be served up in programs, articles and on-line services. Those bits usually refract their themes.

Although the convention prime-time network audience plunged this year, Americans were still bathed in images from the conventions by everything from NBC to MTV to America Online.

Last week Bill Clinton demonstrated how little concerned he was that the networks would broadcast every bit of his prime-time program. He granted CBS an interview on his whistle-stop train ride and the network interrupted its convention coverage to show portions of it.

So perhaps it is time for the networks to treat the conventions as they do the unveiling

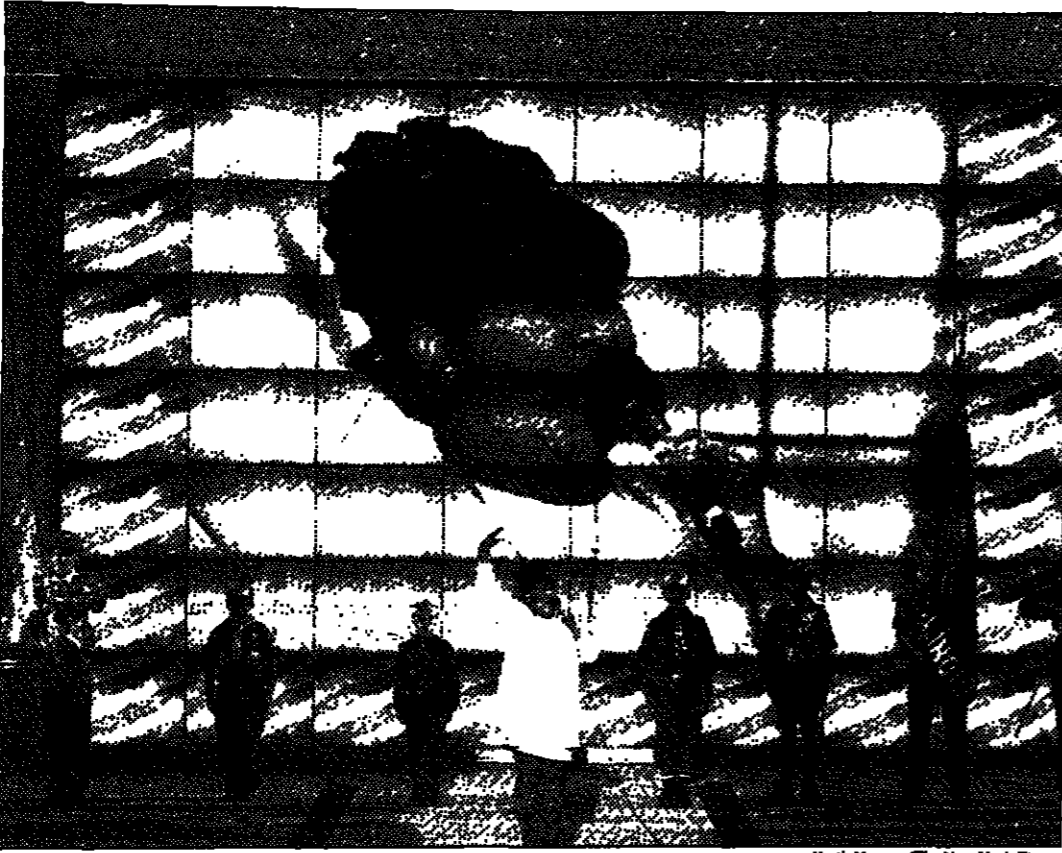
of any artfully packaged product. "Somehow we have very little trouble the rest of the year seeing through this kind of thing, when Hollywood tries to do it with a movie, or a factory does it with some new product," said Mr. Koppel, who decamped on the second night of the Republican convention in a protest against the dearth of real news.

If the networks ditched their perceived obligation to carry one hour live, Mr. Koppel said, they could better bring their news judgment to bear, covering the conventions and packaging them in their own program — "separating the wheat from the chaff."

"That sounds elitist, I know," he said. But it is what journalists are paid to do. Other people, Mr. Koppel said, are "spending their time lawyering and doctoring and waiting tables and teaching school, and so they need someone else to do that sifting."

Perhaps with journalists' attention focused on sifting the conventions for real news, the news could become sharper than much of it was this year.

There may be no better demonstration of the warping of news at these conventions than a promotional clip of the high points of its coverage that the CBS affiliate here is running. "As we've been reporting," a correspondent breathlessly declares, "the Democrats have a standing ovation planned."



Keith Meyers/The New York Times



Ozair Muhammad/The New York Times

All Warm 'n' Fuzzy in Chi-Town

At the Democratic convention in Chicago (clockwise from left), Aretha Franklin sang the national anthem; delegates cheered and wept for Jesse Jackson; the Clintons and Gores were huggy bears, and hipsters grooved in Grant Park. With a convention so up close and personal, it didn't seem odd to be curious about the sexual exploits of the President's fallen political adviser.



Monica Almeida/The New York Times



Monica Almeida/The New York Times

Clinton and Dole Alone at the Top

Continued From Page 1

true when the nominees are incumbents. "I guess I do feel like something of a stepchild," said Representative Robert T. Matsui of California. Mr. Matsui, a senior member of the House Ways and Means Committee, recalled that at the Democratic convention in New York four years ago, he ran a seminar on the economy for a group of lobbyists. Last week, he noted, that job went to an Administration official, Treasury Secretary Robert E. Rubin.

But to an unusual extent, both Presidential candidates this year are running their campaigns independent of the Congressional elections. The reason is no mystery. Congress as an institution is even more unpopular than usual. And while Mr. Gingrich is worshipped by his acolytes, polls show that he is one of the most disliked politicians in America.

Still Disapproving

As recently as June, the New York Times/CBS News poll found that 71 percent of the public disapproved of the way Congress was handling its job, while 19 percent approved. In August, after a spasm of bill-passing, the public's view improved somewhat. But people still disapproved of what Congress was doing, by 52 percent to 32 percent.

In addition, a sizable proportion of Americans like the idea of divided government. A New York Times/CBS News poll in July found that as a general proposition, almost as many people (34 percent) thought the country was better off with the White House and Congress controlled by different parties as thought it would be better to have them run by the same party (43 percent). Furthermore, by a margin of 56 percent to 32 percent, people said that if Republicans kept control of Congress, it would be better to re-elect President Clinton "to limit the power of Republicans in Congress" than it would be to elect a Republican President to strengthen the hand of Congress.

What this means for Mr. Dole is that he must distance himself as much as possible from Congress in general and Mr. Gingrich in particular.

As for Mr. Clinton, he recognizes that voters know much better what they do not want than what they do want. At this moment, what voters do not want most of all is for the Republican Congress to go unchecked. So it behooves Mr. Clinton to keep raising that prospect.

That leaves the Democratic candidates for Congress high and dry. But from Mr. Clinton's perspective, they have little to offer him. He became much stronger politically when he was able to block Republican initiatives than he was when he was trying to promote his own agenda with a Democratic Congress. And there is a strong sense, as the party's general chairman, Senator Christopher J. Dodd of Connecticut, acknowledged in an interview last week, that the Democrats in Congress do not know what they would do if they won back a majority.

Even so, the prospects for a Democratic victory in Congress this year are much brighter than they appeared even a few months ago. For the Democrats to win the House, they must win a net of about 20 seats; to win the Senate, they must gain 3 seats.

The Democrats' Edge

In a CBS News poll released late last week, likely voters said by 45 percent to 36 percent that they would vote for a Democratic candidate for the House. Such a poll says nothing about individual races. But political analysts use these numbers as an indicator of the direction the election is taking. The Democrats' nine-point lead is greater than the one Republicans enjoyed when they won the House in 1994.

Based on a seat-by-seat analysis, Mr. Cook, the handicapper of Congressional races, said he thought there was "a very, very strong chance" that Democrats would knock off 25 to 30 Republicans. The question, he said, is how many seats Republicans will pick up that are now Democratic; a number of senior Democrats, many from the South, are retiring in districts that have voted heavily Republican in other races recently.

The situation in the Senate is much less settled than usual. Since World War II, 79 percent of Senators who have run for re-election have won, and the most open seats in any election was 10 in 1978. But this year, 14 Senators — 8 Democrats and 6 Republicans — are retiring, and most of those seats are up for grabs.

These races for the House and Senate will be run parallel to the Presidential campaign, not in conjunction with it. But a Republican strategist who is advising several candidates for Congress said that after watching the Democratic convention, he would advise his clients to sing the same song as the Democrats.

"I'm telling them," the strategist said, "to take the position 'We're not in charge of the country.'"

The Personal Does Turn Out to Be Political

Continued From Page 1

Speaker Newt Gingrich had been in San Diego. Thus, after four days of the convention-as-confessional, the closing day story that appeared in the pages of Star, where the prostitute told all (for money) about her purported nights with Mr. Morris, seemed just what the television-viewers had ordered.

"In some ways," Lewis L. Gould, a historian at the University of Texas, said of the Morris story, "it wasn't so much an embarrassment as a fulfillment. It came after all those moments — Al Gore's sister, the personal revelations. Why not have a sordid personal revelation?"

Quayle's Complaint

There are some, in both parties, who are finding this whole turn of political events distressing. Dan Quayle, the former Vice President, suggested that the Democrats in particular — but his party as well — were focusing on personalities because it was too difficult to hazard a substantial discussion about the difficult issues that such symbols allude to on national television.

"To some extent, our convention was the same way," Mr. Quayle said by telephone from Indiana. "Don't answer hard questions. Be soft. Be fluffy. Get up there and do the feel-good stuff. But avoid the tough questions." Because they say that the people don't want to hear this.

"They have these silly focus groups," Mr. Quayle continued. "They focus-group this stuff. They think this works. I'm not so sure about that."

After days of talk-show talk, a more sordid revelation from the Clinton camp. It's hard to see anything but damage resulting.

It's important for public leaders to reveal the values that animate their actions," said Paul Begala, who was one of Mr. Clinton's senior strategists in the 1992 campaign.

But what Mr. Begala's Democratic Party discovered last week is that there is a cost to opening the window too much on the private lives of the nation's leaders. It is not a particularly new lesson. That is what is at the root of the loss of esteem suffered by Britain's royal family, a cautionary tale indeed. Buckingham Palace, during World War II, decided to present the royal family as a model family to the suffering citizens of their country, allowing them to be seen, for example, reading patients in military hospitals. That was the first lift of the skirt, and it led later to a blitz of front-page scrutiny by the British press of every dysfunctional royal turn — affairs, divorces, nude sunbathing.

President Ronald Reagan, too, learned the perils of overexposure. Throughout the 1980's, the Reagans pre-

Davis, the younger daughter, wrote a book that presented Mr. Reagan as an absent father and her mother, Nancy, as steely and mean.

But when it comes to the politics of personal disclosure, neither Buckingham Palace nor the Reagan White House has come close to Mr. Clinton. It is sometimes complicated for this President, given Mr. Clinton's acknowledged marital troubles in the past. But Mr. Clinton has long proved adept at unveiling private chapters of his life, to obvious political effect. The events here last week were reminiscent of Mr. Clinton's orchestrated conversation with a sympathetic columnist in early 1993, when he revealed how he had stood up to his abusive, alcoholic stepfather.

Nothing but Damage

Mr. Morris's difficulties last week were arguably the biggest evidence yet of the kind of risk politicians run in declaring, in effect, that everything is fair game. It remains to be seen if Mr. Morris's problems will harm his former client at the polls. But in a week when Democrats were using personal anecdotes to present themselves as the party of the family, it is hard to see anything but damage coming out of reports that Mr. Morris, who is married, was spending long nights with a prostitute.

Still, given the direction that American politics is heading, there may even be hope for Mr. Morris. After this convention, it seems hardly far-fetched to imagine Al Gore four years from now, accepting his party's nomination for President and scanning the audience for examples of recovery and redemption Mr. Morris

The Nation

New York City's Gift to Clinton: A Lower National Crime Rate

By CLIFFORD KRAUSS

NEW YORK CITY'S Republican Mayor, Rudolph W. Giuliani, may or may not endorse President Clinton, but he probably has already done as much to re-elect him as any Democratic mayor.

Mr. Giuliani has not only pursued police policies that have lowered his city's crime rate so dramatically that it has driven down those of the country — handing Mr. Clinton a major campaign bragging point in the process — he has also thoroughly retooled the neighborhood anti-crime program that the President is promoting on the stump.

Whatever the paradox, the Clinton campaign unfurled the crime issue as one of its major themes last week with the kind of symbolism Democrats used to reserve for civil rights and the war on poverty.

President Clinton surrounded himself with police chiefs, sheriffs and cadets at the police academy in Columbus, Ohio, during his whistle-stop trip to the Chicago convention. At the conclave itself, Jim and Sarah Brady, as well as a Congressional candidate, Carolyn McCarthy, whose husband was killed and son wounded by a gunman on the Long Island Railroad, made appearances to dramatize the gun control issue.

"The crime rate has come down for four years in a row," became a stock line in Mr.

Clinton's speeches, while campaign press office handouts reminded reporters of a line in Mr. Clinton's State of the Union address last January: "Violent crime is coming down all across America."

In fact, although crime is declining in many cities, it is increasing in others while remaining level in most suburban and rural areas. The F.B.I.'s nationwide index of reported violent and property crimes declined 3 percent between 1993 and 1995. But when New York City's 25.9 percent decline over the same period is excluded, the nation's crime index decline was just 2 percent. Put another way, New York City — while constituting less than 3 percent of the country's population — was responsible for 155,558 of the 432,952 fewer reported crimes over the three years.

Lock Your Doors, Nashville

Just because the tourist from Nashville can feel safer walking through Central Park, doesn't mean he should stop locking his front door at night when he returns home. Of the nation's 25 largest cities, nine actually experienced higher crime rates in 1995 than 1993: Baltimore, Charlotte, Columbus, Las Vegas, Memphis, Milwaukee, Nashville, Philadelphia and Phoenix.

Preliminary police reports for the first six months of 1996 show a 25 percent spike in the murder rate in Washington compared with the same period in 1995, and lesser rises in 11 other major cities. Meanwhile, the El Paso, Boston, New Orleans and Detroit police departments all have reported recent increases in robberies. Again, New York City will help the total national picture with a 12 percent decline in total reported crime for the first six months.

Only three weeks ago, a report issued by Attorney General Janet Reno that said youth crime was finally coming down after several years of increases produced politically helpful headlines for the President. She based her claim on a 15 percent decrease in the number of teen-agers arrested for murder from 1994 to 1995 — but she did not break out the numbers by region. It just so happens that the same rate in New York City for the same period decreased by 28 percent.

Mr. Giuliani readily recites such statistics, and does so with a long, pronounced chuckle. "I've spoken to President Clinton and Attorney General Reno about it," he said, "and privately they acknowledge" that the city is largely responsible for the drop in crime.

Maybe so, but in public Mr. Clinton does not single out New York. He attributes the national crime drop to community policing, the Brady gun-control bill and a 1994 crime law designed to help communities hire 100,000 extra police officers. Never mind that the law hasn't increased the size of the New York City force, although it did help the N.Y.P.D. avert personnel cuts.

"I'm telling you folks," Mr. Clinton said in a speech last week in Arlington, Ohio, "we can prevent crime and catch criminals if we have more people serving their communities out there, visible, who know the kids on the streets, who know the neighbors, who know the law-abiding folks."

That was exactly the anti-crime vision of former Mayor David N. Dinkins when he launched his Safe Streets, Safe City plan in 1991. Under that program, 7,000 extra officers were hired as the philosophy of the department was remolded toward deploying beat cops on every subway train and street corner, patrolling in uniform. Officers were evaluated by the number of community meetings they organized, and how conscientious they were in maintaining "beat books" logging neighborhood problems.

The crime rate dribbled down by 2 or 3 percent a year between 1991 and 1993 — enough to credit community policing with a victory. But Mr. Giuliani ran promising to cut crime further and, once victorious, he appointed William J. Bratton as police commissioner to rework the Dinkins approach.

"Bratton came in and altered the concept that the uniformed cop can do everything by working with the people," said Thomas A. Reppetto, president of the Citizens Crime Commission of New York City. "He installed a management system that pinpointed the crime targets, and he made extensive use of specialized units, which appears to be counter to the theory of community policing."

Refining a Concept

Mr. Giuliani and police officials have never publicly disavowed community policing, saying they have merely refined the concept. But neighborhood leaders began to complain that they didn't see as many uniformed cops on the beat anymore only weeks after Mr. Giuliani took office.

No wonder. The department under Mr. Bratton, and now under the new Commissioner, Howard Safir, has put increasing numbers of officers in plainclothes units to



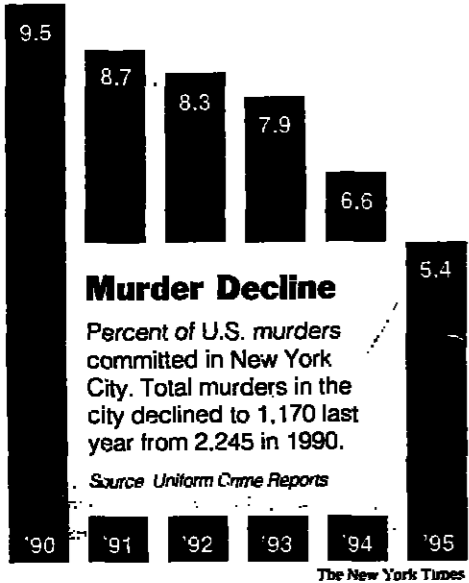
New York City has rethought its use of community policing, concentrating more police in areas where criminal activity is high. An arrest in the Bronx early last month.

investigate drug trafficking organizations. Meanwhile, officers were transferred out of low-crime areas, and redeployed in high-crime neighborhoods. The beat books were replaced by computerized maps that plot criminal activity as the primary measurement of a precinct's progress.

Among the Giuliani strategies is the stepped-up ticketing of people caught drinking and urinating in public, scrawling graffiti, jumping subway turnstiles and riding bicycles on sidewalks. Such efforts may well improve the quality of life in neighborhoods — a primary goal of community policing —

but more than anything they stretch civil liberties to the limit as officers pat people down for guns and check them for outstanding warrants.

The tactic has worked to encourage people to keep their guns at home, thereby decreasing the number of street shootings. Such a strategy, however, has outraged civil libertarians who champion a more touchy-feely style of community policing. But even if they don't like Mayor Giuliani's more military style of community policing, traditional liberal groups will not complain if President Clinton wins votes as a result.



Whistling for Voters



President Clinton, in East Lansing, Mich., last week, offered tax breaks for homeowners and jobs for the poor. Below, his train passed through Galesburg, Mich.

By ALISON MITCHELL

PERHAPS Bill Clinton is not such an untraditional Democrat after all. In a stratagem calculated to catapult himself into the fall campaign, Mr. Clinton last week punctuated his showy whistle-stop train ride and his acceptance speech to the Democratic National Convention with small but appealing initiatives that add up to \$8.5 billion in grants or lost revenue across the next six years.

On Tuesday Mr. Clinton unveiled a plan to make every third grader literate by sending federally subsidized tutors into 20,000 public schools. Cost: \$1.8 billion.

On Wednesday he called for an accelerated cleanup of toxic waste sites and the posting of pollution information on the Inter-

stamp recipients stripped of benefits under the stringent new welfare law and a tax break for middle-class homeowners who sell their houses at a capital gain. The jobs program would cost the Treasury \$3.4 billion, in grants and tax incentives. And the break on capital gains taxes would reduce Federal revenues by \$1.4 billion.

To help pay for all this, the White House released a proposal for tax rule changes and new fees that would raise \$5.3 billion by eliminating a 70-year-old tax break on export income for some multinational American corporations. \$541 million would be raised by imposing a \$225-per-flight landing fee on corporate jets, and \$500 million from auctioning off part of the radio spectrum.

As for the whistle-stop train ride, it cost \$730,000. Michael D. McCurry, the White House spokesman, said the Clinton-Gore campaign paid \$113,000, while reporters on board raved about a third of the bill. The rest

Annals of Social Science

The Political System That Is Newt Gingrich

By ADAM CLYMER

AT the Democratic convention in Chicago, he was a bogeyman. At the Republican convention in San Diego, he was in charge of beach volleyball. But here, at the 92d convention of the American Political Science Association, Newt Gingrich is a glorious, provocative experiment.

Political scientists from all over the nation are studying the Speaker. Laurie Buonanno Lanze of the State University of New York at Fredonia saw him as caught in a conflict between conservatives who "yearn to return to a way of life that either is rapidly disappearing or no longer exists" and what she called

What is this Speaker? Theories from a convention of academics.

third-wave baby boomers with post-material values, who see government as a guardian of the environment, a protector of workers and an agent of international cooperation.

William F. Connelly of Washington and Lee University went back further, seeing Mr. Gingrich as descended from anti-Federalists who opposed ratifying the Constitution. Like them, he noted, the Speaker "favors decentralization of government and a devolution of power in order to inspire volunteerism."

John J. Pitney Jr. of Claremont College dismissed the Speaker's claims of conservatism, but praised him as a pragmatist, fearless of contradiction. He said Mr. Gingrich was shallow as a futurist and flawed as a military thinker (in the budget battle, he failed E.J. Liddell-Hart's dictum to leave a path for retreat) but described him as an effective political entrepreneur, teacher and institutional reformer.



Ronald M. Peters Jr., of the Carl Albert Congressional Research and Studies Center at the University of Oklahoma, described the Speaker as "ultimately a politician." To Mr. Gingrich, a professor-turned-politician, "ideas are simply the weapons of political warfare," Mr. Peters said.

One thing hardly anyone addressed was that Mr. Gingrich was implementing the political scientists' own agenda of a generation ago, calling for responsible party government — parties that

took stands and insisted on discipline. But that demand was aimed at enabling Democratic liberals (like the political scientists) to rein in Southern conservatives. Now they seem loath to note that their recipe has been put to use by a Republican, the author of the Contract With America.

But Mr. Peters concluded that while it may take time to determine whether Mr. Gingrich's "takeover of the House will be good for the country," it was already "good for political science."

Robert Grossman

صكزا من الاصل

ECONOMY

O Governor, Won't You Buy Me a Mercedes-Benz Plant?

By ALLEN R. MYERSON

TUSCALOOSA, Ala. FOR Alabama, first in little but college football, the quest three years ago for the nation's only Mercedes plant touched deep, unrequited desires.

Today, a Mercedes plant sheathed in gleaming metallic panels rises from the pine forests of western Alabama, where even convenience stores have been few.

Local politicians and Mercedes executives continue to celebrate their victory. They expect 1,500 new jobs at the plant and 15,000 to 17,000 related jobs in the state.

But the auto maker's affections have cost the state dearly. Tax breaks and other subsidies are pushing \$300 million. That amounts to \$200,000 for each job — 18 times what Tennessee paid for a Nissan plant in 1980, more than 7 times what Tennessee paid for the General Motors Saturn plant in 1985, 4 times what Kentucky paid for a Toyota plant in 1985 and 3 times what South Carolina paid for a BMW plant in 1992.

Mercedes, it appears, has driven a state with a subcompact budget to spend far beyond its means. Alabama, already last in elementary- and secondary-school spending, first tried raiding its education fund to keep its promises.

Partly because of taxpayer backlash over the Mercedes concessions, Mr. Folsom, a Democrat, and his wife are in the Governor's mansion no more. Fob James Jr., a Republican opponent who during his 1994 campaign accused Mr. Folsom of giving Mercedes far too much, moved in last year and promptly called the company to renegotiate what he could.

Still, the state has been bruised, and not just financially. Its hope of capitalizing on Mercedes' prestige risks being overshadowed by its reputation for overpaying. The state's job calculations are "wishful thinking," said William Gunther, an analyst of the state's economy at the University of Alabama. "We're all suffering from winner's curse."

Though states have used incentives to court corporations for decades, the Mercedes deal and its extraordinary costs show how the war between the states can get out of hand.

Economists argue that rich incentives often fail to yield adequate returns for a city or state, and certainly not for the nation's workers and taxpayers as a whole. Corporate welfare, they say, diverts money better spent attracting businesses through improved infrastructure and schools.

"It is nothing but a zero-sum game," said Robert B. Reich, the United States Secretary of Labor. "Resources are moved around; Peter is robbed to pay Paul." Companies that say they value schools but milk states for subsidies are being hypocritical, he added at a conference organized by the Federal Reserve Bank of Minneapolis.

Only Congressional restrictions can halt this war, Arthur J. Rolnick, the research director for the Minneapolis Fed, said in an interview. He proposes that Washington tax as income up to 100 percent of any incentives or subsidies that a company receives to move.

Such a law, which would infuriate business leaders and state officials, has little chance in an election year. But, many lawmakers are already broaching the issue. A recent request by Congress for an investigation of possible improprieties in states' use of Federal money to lure businesses was one of the few shared causes of Senator Edward M. Kennedy, the Massachusetts Democrat, and Senator Alfonse M. D'Amato, the New York Republican. Also, Senator Daniel Patrick Moynihan, the New York Democrat, has sponsored a bill to end tax-free financing for stadiums.

Absent such legislation, and there is no reason to believe that the battles to get and keep businesses will let up soon. States' truces seldom endure. New York City has repeatedly cut deals for corporations threatening to move out; last year it awarded more than \$30 million each to Morgan Stanley and to Kidder, Peabody & Company, California and the City of Anaheim agreed to spend \$800 million on roads and other improvements, mostly to the benefit of the Walt Disney Company, after it threatened to cancel an expansion or even move Mickey, Donald and the whole Disneyland park. Utah gave Micron Technology Inc. an estimated \$300 million in concessions to build a computer chip plant in the town of Lehi, though Micron halted construction last winter when chip prices fell.

This year, Massachusetts gave the Raytheon Company, the state's largest private employer, an annual tax break worth \$20 million in the first year after it threatened to move jobs



James E. Folsom Jr., left, was defeated for re-election as Governor of Alabama in 1994 after his Republican opponent, Fob James Jr., made an issue of the subsidies given to Mercedes to attract its new plant.



to Tennessee and Arizona. Then it gave mutual fund companies an annual break of about \$40 million after Fidelity Investments spoke of shifting thousands of jobs to Rhode Island and elsewhere. Raytheon, its incentives in hand, announced in June that it would reduce its workforce by 4,500 in Massachusetts.

Many states, upset that promised jobs fail to materialize, have passed laws allowing them to recover their incentives when companies pull back. Alabama's revised pact with Mercedes includes a claim on the plant and its machinery in case the factory never opens.

Regardless of how many jobs Mercedes might mean for Alabama, the state's concessions have brought the United States only what would have come here anyway.

To avoid high German labor costs and to penetrate a booming American market for family trucks, known as sport utility vehicles, Mercedes had decided by early 1993 to build a plant in the United States.

Andreas Renschler, who managed the site selection for Mercedes and now runs the plant, said his aides had initially suggested 62 sites. None were in Alabama. The Germans knew all about Tennessee, as well as the Carolinas and other coastal states. "Alabama," Mr. Renschler said, "was totally unknown."

But Alabama's business people and politicians sniffed a singular chance to jump into the New South orbit. Not only would Mercedes pay twice the state's prevailing factory wages, but an economist working with company consultants estimated that the plant would lead to 15,000 to 17,000 new jobs in the state.

Governor Folsom flew to Stuttgart three times and steered an incentive package through the state legislature. To help improve Alabama's image, he lowered the Confederate battle flag above the state Capitol.

Simple economics argued for the Carolinas, where the parent company of Mercedes, Daimler-Benz A.G., already had two Freightliner truck plants and easy access to Atlantic ports. Mercedes planned to import parts from Germany and to export

about half of the finished vehicles.

But North and South Carolina, the other finalists, found that the tax breaks or payments they extended were matched or bettered. Alabama offered \$77.5 million in sewer, water and other utility improvements, \$92.2 million to buy and develop the site and about \$5 million annually for employee training and other programs.

The total, which was put at \$253 million then and has since escalated to about \$300 million, did not include another sweetener. The state agreed to buy 2,500 Mercedes utility vehicles, for use by everyone from highway construction supervisors to agricultural agents. The expense: about \$75 million.

Mercedes contends that other states offered as much as Alabama. "We don't play one state against another," Mr. Renschler said. Officials from all three finalists, though, dispute that.

On Sept. 30, 1993, Mercedes announced its site decision. Proud Birmingham business leaders paid \$75,000 to erect a 5,600-pound Mercedes hood ornament on top of the Legion Field scoreboard in time for the Alabama-Tennessee football game.

As details of the incentives dribbled out, the state began struggling to pay for them. It planned to relieve Mercedes of its corporate income taxes and let it keep most of its employees' personal state income taxes as long as the company had debt payments on plant construction. But much of that tax revenue is normally designated for education, in a state under court order to improve its schools and spread money more equally among districts.

The state's attempt to use the National Guard to prepare the site brought a reprimand from a member of Congress and a hasty retreat.

Unbowed, Mr. Folsom took to calling the tax-break legislation the Folsom Incentive Plan. His opponent for Governor, Mr. James, brought in Lamar Alexander, the former Tennessee Governor, to point out that his state had paid far less to win a General Motors Saturn plant that

has far more workers. Mr. Folsom said that although a majority of voters favored the deal, opponents were so angry that they might have played a role in his 10,000-vote defeat.

The new Governor negotiated limits on some state commitments to Mercedes. He made sure that Mercedes agreed to eventually buy back a visitors' and training center, paid for by the state, at market value, not just a nominal price. He scotched the plan for a Mercedes fleet.

Mercedes executives say they are satisfied with the revised incentive package. "We are not coming into Alabama because there is a nice governor," Mr. Renschler said. "We still feel at home here."

The back-slapping manner of Mr. Renschler, a gangly 38-year-old with a shock of blond hair, has sometimes gone over better with Alabama politicians than with starchy German executives. He has courted Mr. James since well before the 1994 election. The Governor now plays down his criticism and says he will buy one of the plant's vehicles.

For Mr. James, a prosperous businessman, financing a Mercedes is easier than financing the plant, especially because he had pledged to avoid new taxes. He backed away from using tax revenues meant for the schools after the Alabama Education Association prepared to challenge the arrangement in court. His proposal to sell bonds guaranteed by the state's companies worried business leaders. The courts struck down yet another plan to divert oil and gas tax revenues to Mercedes.

On April 1, 1995, the state missed a \$43 million payment for construction. Publicly, at least, Mercedes remained patient.

Mr. James then called David G. Bronner, chief of the \$16 billion state pension fund. Mr. Bronner strongly supported the Mercedes deal, though not always the state's handling of it. "The state got itself into a little bit of a bind," he said. "But my job is with the retirement fund." For a \$98 million line of credit, he demanded and received 9 percent interest, virtually a junk-bond rate, about 2.5 percentage points above the usual cost.

The state's expenses mounted as other companies took advantage of incentives allowed under the Mercedes law and limited only slightly by Mr. James. When Trico Steel, a partnership of LTV, Sumitomo and British Steel, won an \$85 million tax break to build a steel plant in Decatur, Ala., a competing Gulf States Steel plant in Gadsden won its own break of at least \$1.5 million annually for 20 years.

Alabama could not afford to scale back its concessions much, however, after other states passed new incentive laws matching its own.

Alabama's rivals have some good reasons for jealousy. The Mercedes plant brings well-paying jobs and a dash of international prestige to a state that desperately needs both. Last month, Porsche confirmed that it was in discussions about using the plant to produce about 8,000 of its own sport utility vehicles, adding about 12 percent to the plant's planned output of 65,000 a year.

More than 40,000 workers applied for the plant's 1,200 initial jobs, at least 1,000 of which will probably be filled by Alabama residents. "It's a once-in-a-lifetime opportunity," said James Phillips, who will lead a Mercedes quality-control and testing team. Like most of those hired, Mr. Phillips already had a good job, as an aircraft mechanic for Allied Signal.

Jobs on the plant floor pay a minimum of \$12.80 an hour, rising in two years to \$17.50 — about double the state's usual rates, plus generous benefits. Mercedes, along with most other foreign car makers with plants in the United States, hopes that paying wages near union scales will keep out organized labor.

The assembly line is clanking to life with trial versions of the new Mercedes vehicles. The new model, for drivers who dream of backwoods rambles but usually venture no farther than the nearest Eddie Bauer store, will go on sale in about a year for roughly \$35,000.

Even some people who defend the deal say the state simply should

have made itself a better place to do business, especially by improving the schools. "If we had spent more money in the last 20 years on education, we would have a better-trained work force," said Bo Torbert, a former chief justice of the Alabama Supreme Court who successfully sued the state to improve the schools and balance spending across the state. "Maybe we wouldn't have to give as much in incentives to get Mercedes here."

The ultimate payoff for these incentives is also in question. Many of the primary Mercedes suppliers lured to Alabama also received concessions — costing in the millions, perhaps tens of millions.

The state's economic impact study assumed that Alabama would become a new Michigan: that Mercedes would concentrate its parts purchases in Alabama, much the way Detroit auto makers do in their state. In Michigan, an auto assembly job generates 9 more jobs, the highest ratio in the nation. The state study assumed that Alabama could do even better, with 10 or 11 extra jobs, for the 15,000 to 17,000 total.

Mercedes, however, is bringing engines and other parts, about 35 percent of the vehicle contents, from Germany. The Mercedes plant also appears too small to attract most of its other suppliers to Alabama. Only 10 of 71 primary suppliers to Mercedes are in the state, Michigan and Tennessee each have 8.

"The real winner in the Mercedes plant deal was not Alabama," Thomas J. Cunningham, a Federal Reserve Bank of Atlanta economist, recently wrote, "but rather Tennessee." The Mercedes choice, he said, confirmed Tennessee's place as the hub of the new Southern auto industry, with plants there and in most surrounding states.

Checks with several Alabama suppliers tend to support a study commissioned by Alabama Arise, a nonprofit community group, that predicts the creation of about half as many new jobs as the state does.

The Mercedes suppliers in Alabama do much of the assembly of dashboards and other large components, which most auto makers do in their own plants. These suppliers, in turn, order a high percentage of their parts — brakes, shock absorbers, wiring — from other companies. Robert Birch, the Mercedes plant's purchasing chief, said that while the primary suppliers had brought Alabama about 650 jobs, the secondary suppliers would bring even more.

Several providers of Mercedes components, however, said that they bought most of their own materials from other states. "I have no suppliers in Alabama," said George J. Telenko, who manages a ZF Industries plant in Tuscaloosa that joins axles, brakes, shock absorbers, differentials and other parts.

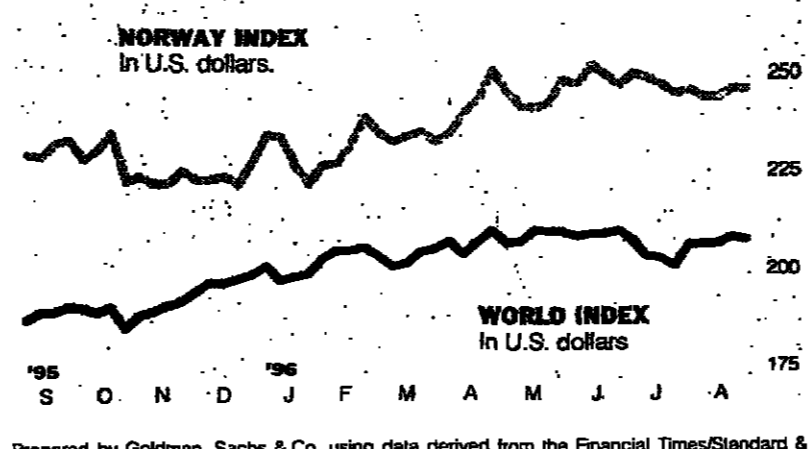
Mercedes executives coyly note that the plant occupies only a third of the site on which it is built and that foreign producers like Toyota in Kentucky have expanded. But industry analysts say the company's success here is no sure thing. The market for sport utility vehicles has become crowded, with the Ford Explorer and Jeep Grand Cherokee being joined by several new models. "Mercedes is an extremely competent company," said David E. Cole, director of the Office for the Study of Automotive Transportation at the University of Michigan. "The question is, will this market continue to be as strong?"

Already, much of the euphoria is evaporating. At Legion Field, where Olympic soccer matches were played this summer, the oversized Mercedes hood ornament came down in June to comply with a ban on commercial logos at Olympic events. It hasn't gone back up yet, as Birmingham business leaders and Mercedes executives debate where it should go and at whose expense.

Now, the three-pointed star in a circle sits fenced off in a suburban storage area. "You might think it should be lying on hallowed ground," said Walter Garrett, the manager of Legion Field. "But there it is, lying in the shambles and embarrassment of a weeded yard."

WORLD STOCK MARKETS

Table with columns: PERFORMANCE, IN U.S. DOLLARS, IN LOCAL CURR. Includes rows for Country, Index, Week % Chg, YTD % Chg, YTD Dividend Yield, Index, YTD % Chg, and Composite Indices.



Prepared by Goldman, Sachs & Co. using data derived from the Financial Times/Standard & Poor's Actuaries World Indices, a measure of stock market performance. The FT indices are compiled jointly by The Financial Times Limited, Goldman, Sachs & Co. and Standard & Poor's, in conjunction with the Institute of Actuaries and Faculty of Actuaries.

Table with columns: Exchange rates, Friday, Last Friday, Week % Chg, Year Ago. Includes rows for Japanese yen to the U.S. dollar, German marks to the U.S. dollar, Canadian dollars to the U.S. dollar, U.S. dollars to the British pound.

Source: Bloomberg Financial Markets; exchange rates as of Friday's New York close.

Aug. 26-30: New Fears of Fed Tightening Push the Dow Lower and Interest Rates Higher

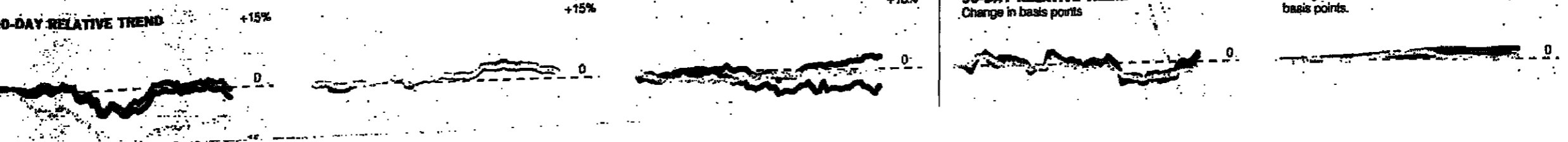
Table with columns: DOMESTIC EQUITIES, Broad market, S. & P. 500 index, Blue chips, Dow 30 industrials, Small capitalization, Russell 2000 index.

Table with columns: DOMESTIC BONDS, Treasuries, Municipals, Corporates, Merrill Lynch Master index.

Table with columns: AROUND THE WORLD, European stocks, Asian stocks, Gold, New York cash price, Foreign indexes in dollar terms.

Table with columns: YIELDS, BONDS, Long bonds, 30-year Treasuries, Notes, 2-year Treasuries, Municipals, Bond Buyer index.

Table with columns: OTHER INVESTMENTS, Money market funds, Taxable average, Bank C.D.'s, 1-year small savers, Stocks, S. & P. 500 dividend yield.



Sources: Bank Rate Monitor, Bloomberg Financial Markets; The Bond Buyer, Datastream; Goldman, Sachs; IBC's Money Fund Report; Merrill Lynch, Standard & Poor's; Ryan Labs

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1963
ARTHUR OCHS SULZBERGER, Publisher 1963-1992

ARTHUR HAYS SULZBERGER, JR., Publisher

JOSEPH LELYVELD, Executive Editor
GENE ROBERTS, Managing Editor

Assistant Managing Editors
SOMA GOLDEN BEHR CAROLYN LEE
GERALD M. BOND JACK ROSENTHAL
DAVID R. JONES ALLAN M. SIGAL

HOWELL RAINES, Editorial Page Editor
PHILIP M. BOFFEY, Deputy Editorial Page Editor

RUSSELL T. LEWIS, President and General Manager
JOHN M. O'BRIEN, Executive VP, Deputy Gen. Mgr.
WILLIAM L. POLLAK, Executive VP, Circulation
PELOPEE MUSE ABERNATHY, Senior VP, Planning and Human Resources
RICHARD H. GILMAN, Senior VP, Operations
JANET L. ROBINSON, Senior VP, Advertising
RAYMOND E. DOUGLAS, VP, Systems and Technology
DONNA C. MIELE, VP, Human Resources
CHARLES E. SHELTON, VP, Distribution
DAVID A. THURM, VP, Production

Big Money at the Conventions

Two decades after Watergate, the struggle to limit corporate and big-money influence on the political system has been mocked by the fundraising and influence-peddling spectacles at both parties' conventions this summer. Rivers of money flowed into the Republican and Democratic conventions from special interests, while donors were rewarded with skybox seats, parties, private meetings and other forms of access to policy makers. These abuses must now be met by a redoubled effort to reform the system.

President Clinton bears a particular responsibility for allowing the fund-raising to spin out of control. He advocates reform but also is the most successful Presidential fund-raiser in history, particularly for the "soft money" contributions to the Democratic Party, which are not governed by limits under campaign financing laws. In return, Mr. Clinton has accorded big givers startling access to the White House, and contributors were cosseted and feted throughout the convention. It is hard to believe that their views will not be taken into account when policies are decided.

Under laws enacted after the Watergate scandals, public financing of elections and conventions was authorized in order to reduce the need for politicians to take money from influence-seekers. Ceilings were also imposed on how much an individual or a political-action committee could give, and corporations and labor unions were barred from contributing to Federal candidates. But there are no limits on money contributed for broad party activities like getting out the vote and generally supporting state and local candidates. What was startling at the conventions was how effortlessly both Presidential candidates drove truckloads of that soft money through the loophole.

Taxpayer money pays each party \$12 million to hold its convention, so that the parties will not raise the money elsewhere. But the parties set up host committees in the convention cities to do the job. Each host committee raised another \$12 million from corporations and individuals.

Chicago and San Diego were also the scene of countless private receptions for delegates in hotel suites, yachts and other places, paid for by businesses, trade associations, lobbyists, labor unions and others. Many of these groups also paid for parties held by state delegations. The recently enacted gift ban for members of Congress exempted conventions, so the party meetings became orgies of special interests' wining and dining those who make public policy.

This page has long deplored the growing reliance on soft money in elections. All pretense that there was a distinction between fund-raising for candidates, which is governed by Federal limits, and soft money raised by parties evaporated in Chicago, where candidate Clinton attended a huge gala for big soft-money contributors, the culmination of many private meals and meetings he has been holding all year.

Common Cause calculates that Democratic Party committees raised more than \$65 million in soft money in the first 18 months of the current campaign — five times what was raised in the comparable period four years ago. Republican committees raised nearly \$76 million. Many if not most contributions were in the range of \$50,000 or more, with Republican donors tending to be in securities and investments, oil and gas and communications.

Under Mr. Clinton, Democrats have specialized in big money from the financial sector, entertainers and communications conglomerates like Walt Disney, Seagram, Dreamworks SKG and Time Warner, whose activities have been scrutinized for antitrust problems or the content of their television programs and mergers. But just about every corporate donor has an agenda. Many get tax breaks or other benefits that always seem to be spared when it comes time to close the Federal deficit.

A lot has been said about the obsolescence of political conventions, now that they no longer choose the candidates or even debate issues. It would be sad indeed if the only rationale for conventions was to shake the money tree.

The Progress of German Unification

When the Iron Curtain fell in 1989, there was no more important consequence than the reunification of Germany. Seven years later the joining of East and West Germany attracts less attention but is no less critical to the future of Europe. Fortunately, for an undertaking this gargantuan, unification is progressing relatively well. It seems to be meeting everyone's expectations — except the Germans'.

Half of western Germans say in opinion polls they are dissatisfied with unification, and 38 percent of eastern Germans agree. One in five easterners would like Communism back. This nostalgia is more understandable in Eastern European countries now stripped of their security blankets. Unification has thrown East Germans into the arms of one of the world's most generous welfare states.

Bonn is pouring well over \$100 billion annually into Germany's five new eastern states, more each year than the total cost of the Marshall Plan in today's dollars. Eastern Germans are richer and freer than their former Communist neighbors and richer and freer than ever before. Yet they do not seem very happy about it.

Chancellor Helmut Kohl cast unification's fate in July 1990, when he allowed East Germans to convert Ostmarks to Deutsche marks at an overvalued one-to-one exchange rate. That stopped the stampede of East Germans west, and pleased the East German majority, who wanted to dump everything Socialist and become West Germans as fast as possible. Mr. Kohl also decided to raise eastern wages as close to western wages as possible. The policies enabled eastern consumers to buy western goods. But they killed East German factories and cut investors' incentives to build new ones in a place whose infrastructure has been largely untouched since Hitler's time.

Today eastern Germans are paid at 81 percent of western levels, but they are only 55 percent as

productive. Unemployment in eastern Germany is now over 15 percent, while in the west it is 9 percent. Women have been particularly hard hit.

But the east has grown, in recent years, at the fastest rate in Western Europe. At current investment levels, productivity may equal the west's in 10 years. Meanwhile, the welfare state cushions the blow. The unemployed make more than they did working under Communism.

The Kohl Government is now proposing to cut these and other programs to help an east that westerners see as ungrateful. Particularly unpopular is a 7.5 percent unification tax, especially because Mr. Kohl told West Germans the process would not require a tax increase.

But unification deserves only some of the blame. Scandinavian nations are trimming their social programs. Unemployment is high all over Europe. Some of Germany's cuts — like free stays at a health spa every four years instead of three — hardly seem onerous. Indeed, parts of the west, notably Bavaria, are booming. The surprise is how well Germany is doing despite its burden.

The easterners' underlying problem may be less financial than psychological. While the Czechs and Poles are proud to be building their new nations, victorious over Communism, each new day reminds eastern Germans that they lost the cold war and must defer to the victors.

The most powerful position any easterner holds in Germany today is provincial governor. To many in eastern Germany, closing a factory is not a necessary economic adjustment but a cruel penalty of capitalism. East Germans thought of themselves as the stars of the Socialist economy. Now they are told their work was second-rate. Even if Dresden became as rich as Düsseldorf overnight, many eastern Germans would resent a process that seems to them less a marriage than an adoption.

Signs of Summer's End

Beside a county road near the town of Hygiene, Colo., stands a cottonwood that turned completely yellow the second week of August. To southbound cyclists the tree lies hidden, lurking behind a sharp dip in the road. One coasts along in summer's full incubency — the scent of hay practically creasing one's forehead — when all at once the asphalt slopes away, and the lone cottonwood presents itself, its leaves shimmering in a bright wind that suddenly seems autumnal, full of the brittleness, the preternatural clarity of fall.

It is not as though anyone goes searching for autumn in the midst of summer. In most of America, those seasons have lost their traditional, agricultural meanings. Summer is now the harvest season — a harvest of leisure, of fresh vegetables from the garden. Inevitably, one tries to ignore the signs of summer's demise — the drying milkweed in the fields, the reddening sumac along the railroad tracks, the school buses. But sooner or later there comes a sign that is almost too portentous to ignore. A few nights ago, an enormous flight of black-

ground where Little Goose Creek flows. For just a single moment one could see, from the bluff overlooking the creek, what shape the flock had taken: it was a lens of blackbirds. It neared the crown of a great cottonwood, and one or two birds plunged abruptly downward, dying on the wing it seemed, into the branches. The flock swirled, then settled. There was a momentary hush, and then, as if a school bell had sounded, the tree erupted in chatter.

After a sight like that, one is almost ready to surrender summer. But not quite. The days are still hot in Wyoming, the evenings warm, the skies full of dry thunder. The ranchers are beginning to move cattle to the sale yards and railheads — a sure sign of fall, it's true — but summer will reign for at least a few more days. Drive a pickup truck east of Sheridan, just to catch the evening, and one winds up chasing a Burlington Northern coal train at sunset past the grade crossing at Dutch Center, past a grain elevator, and into Wyoming. There the pavement ends and the train pulls ahead, its new aluminum coal cars gleaming in the last of the light. As

Hold Private and Public Schools to Same Rules

To the Editor:
Several issues have not been raised in news articles on public financing of private or religious schools ("Ohio Paying Some Tuition for Religious School Students" and "Saying No to Private Schools at Public Expense," Education page, Aug. 28).

Public financing is intended to educate the children of the public-at-

large, not merely those successful enough to gain entrance and remain. Private and religious schools pick and choose among students. Every year, we in the public school system deal with dozens of former religious and private school students seeking placement; the reasons they and their parents give are illustrative. "I couldn't pay the tuition any more" or

"they told my son he had to pass all his courses or they'd put him out" or "he kept getting into trouble."

It takes savvy parents to get their students into private or religious schools, voucher or no voucher. And students of such parents typically do well regardless of where they go to school. Is it any wonder that such children do better than those students simply sent off, alone, to wander into their neighborhood schools?

I will begrudge no taxes paid to educate a child in a school that does not discriminate against any group of students, so long as that school doesn't preach sectarian religion. But until the playing field is level and private schools are held to the same standards as public schools, not a cent should go their way.

STEPHEN E. PHILLIPS
New York, Aug. 28, 1996

The writer is superintendent for alternative high schools and programs in the New York City school system.

Under Streetlights, the Vulnerable Huddle

To the Editor:
While your Aug. 26 editorial on child prostitution in Asia is an informed piece, I suggest that you venture over to 10th Avenue to witness the tragedy of child prostitution firsthand.

Nearly 20,000 children, adolescents and young adults are living on the streets of New York City. To survive, they are forced to engage in sex and illicit drug sales as their primary sources of income.

Unlike the stereotypical image of a young girl running away from home and landing at the Port Authority Bus Terminal only to be pounced on by a pimp, most street youth are from the five boroughs or neighboring areas; they are predominantly youth of color and are overwhelmingly lesbian, gay and bisexual. Most have histories of sexual, emotional and physical abuse.

Their risks for H.I.V. infection are high because they are forced to engage in unsafe behavior by those who will pay more money or supply more drugs if condoms are not used.

Since most are also self-medicating (smoking crack cocaine), their resistance and inhibitions are diminished, leading to more unsafe behavior and risk-taking.

A small group of community-based organizations is dedicated to working with these young people. Yet, financing for these programs is



David Suter

being slashed by city and state agencies.

Though, as you say, the Stockholm conference on the sexual exploitation of children "puts a welcome spotlight on a multibillion-dollar industry that exploits the world's most vulnerable citizens," any streetlight in midtown Manhattan will illuminate the same activities at home.

RICHARD HAYMES
Associate Executive Director
Community Health Project
New York, Aug. 27, 1996

The letter was also signed by representatives of four other community groups.

Carter-Clinton 'Coolness' Isn't the Reality

To the Editor:

In "Clintons and Carters Don't Mix" (Op-Ed, Aug. 28), Douglas Brinkley erred factually and by omission. He portrayed a Democratic Party in 1992 that spirited Jimmy Carter to its convention in the dark of night. I was President Carter's liaison to the 1988 and 1992 party chairmen, Paul Kirk and Ron Brown, who strongly encouraged Mr. Carter's role. Both times, Mr. Carter was featured in prime time.

In 1992, Mr. Carter's speech reflected his personal enthusiasm for the Clinton-Gore ticket. There were celebrations both before and after, and I attended the Carters' warm private afternoon hour-and-a-half meeting with the Clintons and the Gores. A few weeks later, the Clintons and Gores were in Atlanta helping the Carters build a house for Habitat for Humanity.

In all three past conventions, there was no incumbent Democratic President. As the only former living Democratic President, Mr. Carter felt a special duty and role for the party.

Very different circumstances are presented when there is an incumbent Democratic President seeking re-election. Mr. Carter gave considerable thought to his absence at this convention and noted the precedent of Truman's not attending Democratic conventions after he left office. Mr. Carter's statement affirmed his strong support for President Clinton's re-election.

The timing of Mr. Carter's 1992

support was misstated. While the nomination was still an issue, Mr. Carter, with President Bush in the Oval Office, was asked by reporters for whom he had voted in the Georgia primary. He replied, "Clinton," and proceeded effusively to explain why. Mr. Carter has been to other White House events besides the meeting on the North American Free Trade Agreement — including overnights in the residence for the Middle East treaty signing and after the successful Haiti mission.

I disagree there is "little love lost" between these two men of the South who are from distinct generations. Their history dates back to the Clintons' 1976 election work and President Carter's appointment of Hillary Rodham Clinton to the chairmanship of the Legal Services Corporation.

While there are some within the Administration who anonymously seek to diminish Mr. Carter, President Clinton has been generous in his personal dealings with the Carters.

There is a personal relationship between these two exceptional men. It is simplistic and negative to accentuate occasional misuses by either. I recall President Clinton's calling Mr. Carter over the New Year's holiday to extend best wishes. The Carters were returning with their grandchildren from Disney World, and the 39th President's grandson was soon talking with the 42d President about Space Mountain's thrills.

TERRY ADAMSON
Washington, Aug. 29, 1996

Developing Nations Rely on Our Investment

To the Editor:

In "How America Stiffs the Third World" (Op-Ed, Aug. 27), Stephan-Götz Richter misses the point about United States foreign aid policy. The United States offers developing nations two benefits not as forthcoming from Japan, Germany or France.

First, our market is more open to imports from developing nations than is that of any other industrialized nation. United States demand is the global economy's engine. This is most evident with respect to China, where no amount of aid will result in true benefit to us, but where our trade deficit nonetheless fosters development.

Second, United States investors are quicker to provide vast amounts of dollars to emerging markets. Investment flows have a greater impact on development than does aid, since investment builds the framework for a self-sustaining future. Mr. Richter should consider the dilemma of developing nations should they be deprived of American demand and investment.

RICHARD PHILLIPS
New York, Aug. 28, 1996
The writer is an international banking consultant.

Germany give more aid to developing countries than the United States does. Neither Japan nor Germany has to substantially support its military; for 45 years the United States has done so. And does Mr. Richter not consider our support of democracy in Haiti to be "aid"?

Mr. Richter sees our projected budget deficit of 1.9 percent of gross national product as impressive. Just because Germany, Japan and France have messier finances doesn't mean a \$3 trillion debt is impressive, nor does it mean that the United States is a freeloader if our politicians are trying to curb spending.

Reducing our national debt, encouraging capitalism abroad, defending developing democracies with military might and being selective among those to whom we give foreign aid are not shortsighted goals.

No country has taxed its way into prosperity. But if Mr. Richter has figured out how to do that, I'd love to read about it in The New York Times first.

MORGAN MURPHY
New York, Aug. 28, 1996

To the Editor:
Stephan-Götz Richter (Op-Ed, Aug. 27) would have us believe that we live in a country of cheapskates and shortsighted politicians.

I am not bothered that Japan and The Times welcomes letters from readers. Letters must include the writer's name, address and telephone number. Those selected may be shortened for space reasons. Fax letters to (212) 556-3622 or send by electronic mail to letters@nytimes.com, or by regular mail to Letters to the Editor,

NYT
The New York Times Company
229 West 43d St., N.Y. 10036-3959
ARTHUR HAYS SULZBERGER, Chairman
Chief Executive Officer
LANCE E. BRIMS, President
Chief Operating Officer
DAVID L. GORHAM, Senior Vice President
Deputy Chief Operating Officer
DIANE P. FRAKER, Senior Vice President
Chief Financial Officer
KATHARINE P. BARROW, Senior Vice President
LEONARD P. FORMAN, Senior Vice President
DONALD S. SCHNEIDER, Senior Vice President

New York Legislation

To the Editor:

The program in which Ohio provides parents with tuition vouchers (Education page, Aug. 28) is the first to include religious schools. Concerning legislation I am sponsoring to introduce a similar voucher program in New York state, critics have said that it would further deteriorate the public school system. On the contrary, it would foster healthy competition among all schools, improve education and reduce its escalating costs.

With the prospect of attracting students, voucher-financed schools would have powerful incentives to improve their education and build reputations to attract the most students. The voucher program would be the first step toward revamping the unsatisfactory school system in New York State.

Dov HIKIND
Brooklyn, Aug. 29, 1996
The writer represents the 48th District in the New York State Assembly.

S.A.T. Standard

To the Editor:

While no doubt designed to further ingratiate the College Board with colleges, the board's upward revision of the Scholastic Assessment Test scores serves paradoxically to undermine its legitimacy (Op-Ed, Aug. 28).

As a former junior high English teacher, I have faced anxious parents wanting their 13-year-old children to take practice exams. There is no proven link between college performance and S.A.T. results, yet we continue to accept the board's imprimatur. Now we learn these results are inflated, and thus, are no results.

WILLIAM FITZGERALD
New York, Aug. 28, 1996

To the Editor:

The Scholastic Assessment Test has never been an "unchanged standard" (Op-Ed, Aug. 28). Since the test began in 1926, the College Board has made various changes to it to accommodate improvements in psychometrics and the needs of American education. The latest change, which re-establishes the mean score at the center of the 200-800 scale, was necessary to maintain the S.A.T.'s statistical integrity and predictive validity. Those features had been compromised as mean scores shifted below the midpoint on verbal and math, stretching out scores near the top and compressing scores toward the bottom.

Diane Ravitch has put the cart before the horse. The S.A.T. is designed to assess student achievement. Since that purpose is best served by re-centering scores, it would have been irresponsible to retain the old scale simply for the convenience of those who use national scores for symbolic purposes.

PETER W. STANLEY
Claremont, Calif., Aug. 29, 1996
The writer is chairman of the College Board trustees.

Teaching Science

To the Editor:

One reason Wayne R. Anderson's students must rely on television for information on U.F.O.'s and possible government cover-ups (Op-Ed, Aug. 29) is that most literature on these subjects is hard to find. In Manhattan, only the largest magazine stands and bookstores offer sections for periodicals covering such subjects. None of these are catalogued in standard reference sources. While publications including UFO, UFO Universe, Fortean Times and Perceptions have published articles documenting government cover-up of U.F.O. encounters, they may not meet the rigorous standard of Mr. Anderson's "skeptical inquirer."

BRIAN CAMP
Bronx, Aug. 29, 1996

To the Editor:
Were Wayne R. Anderson to examine high school science and math curriculums, he would understand why few college freshmen can think about scientific matters (Op-Ed, Aug. 29). Using a teaching paradigm that stresses memorizing to the exclusion of the scientific process, we teach so poorly that even science majors understand little about methodology.

No time is set aside to emphasize what science teaching should be about: refining one's common sense about the world through a study of the philosophy and logic of science. Thinking scientifically is just not part of the typical high school curriculum.

JOHN E. HELBOCK

سكرا من الاصل

If We Were Serious

By Richard Darman

The prime-time convention shows have come to their balloon-drop endings. The mini-movies, zingers and dramatic speeches are over. What follows now, we are told, is the "serious campaign."

That is a notion which many would dismiss as oxymoronic. But it has the virtue of suggesting an interesting question: What important issues might the candidates address if the campaign actually were serious?

The question is not put to dismiss what has been presented so far. Bill Clinton and Bob Dole have both recognized that a governing majority requires far broader appeal than either party's traditional base provides. They have both broadened their reach.

Bob Dole has distanced himself from the dour anti-government focus of the House Republicans by selecting Jack Kemp — signaling an interest in growth, while underlining his commitment to equal opportunity, inclusiveness and tolerance. Bill

vance. But the major candidates either pretend the problem does not exist, propose to hand it to a commission, or wish it away with heroic assumptions about economic growth. Indeed, while sidestepping the problem, the candidates actually act as if government were going to be long, not short, on revenue. Without providing credible proposals for spending reduction, both candidates offer the voters attractive tax cuts — what Ross Perot has termed "free candy just before elections."

The facts are these, however: There are good reasons public policy should seek to increase growth. These range from interests in reducing the deficit and financing Social Security to increasing opportunity for the poor and improving the quality of life for all. But growth is limited by labor-force participation and the rate of increase in productivity. These can and should be improved by cutting marginal tax rates and the tax on capital gains. But significant improvements in productivity also require radical improvements in education and training, and major breakthroughs in research and development. These, in turn, require the expenditure of political and financial capital.

Even with these, the likely increase in growth would not suffice to offset too much free candy.

In any case, major improvements in long-term productivity growth take time to achieve. Meanwhile, the deficit cannot be eliminated by focusing on non-entitlements and using the new line-item veto. The "anti-government" public and politicians care too much about expenditures for law enforcement, immigration control, drug

abuse prevention, air safety, environmental protection, biomedical research, and so on. So if the baby-boomers are to avoid a shock, if the deficit is to be kept under control, and if a tax increase is to be avoided, entitlement reform will have to be faced promptly.

This issue is at the heart of the budget problem. Yet if it were merely budgetary, it would long since have been solved. The dilemma is that entitlements principally involve the broad American middle that is key to electoral success. That is why entitlements are the "third rail" of American politics and lend themselves to demagoguery. They are treated simplistically though they involve complex questions: Who in the middle class should be protected against exactly what risks? What should be the relative responsibility of government and individuals in assuring risk protection? What are the obligations of working generations to generations too young or too old to work? Leadership is needed to help frame responsible answers to just such difficult questions. Yet no candidate has trusted the people enough to risk a serious discussion.

A second fundamental problem is, as obvious as the first and as unattended: America's decom-

Three issues for a true campaign.

posing inner cities. Clearly, talk of hope, history and the American Dream is hollow if it does not address the large population trapped in ghettos. Urban ghettos represent a moral failure and a substantial economic cost. Indeed, if left unattended, the de-civilizing effects of urban neglect may pose a more widespread threat to the American Dream. Yet this problem, too, has difficulty attracting a serious word.

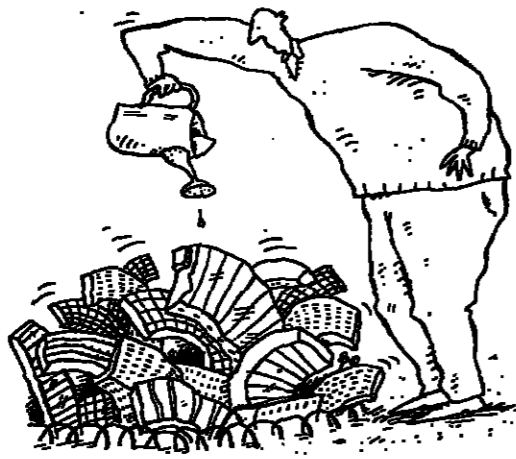
Jack Kemp deserves credit for being among the few major politicians to put the urban problem on the national agenda. But, unfortunately, putting this problem on the agenda and offering viable solutions are not necessarily the same. Jobs must be created near blighted areas, and tax incentives could help. But they cannot possibly suffice. A zero capital gains rate will not counter the fear of

million will be 85 and over — and that is before the baby-boomers reach 85. With breakthroughs in biomedical research, these numbers will be even more compelling. There is not only a very large generation headed toward retirement. But in the move from the 20th to the 21st century, something close to an additional generation is being added to expected life.

This will necessitate a minor cultural and economic revolution. It is not merely an issue of entitlement finance. Retirement ages will have to increase. Job and retraining opportunities will have to be developed. New community-living arrangements will have to be expanded. Profound issues of morality will have to be confronted.

Bob Dole has spoken eloquently of the "gracious compensations of age." At 73, he is healthy and active — a symbol of the enormous potential represented by the growing numbers of healthy older Americans. He is perfectly positioned to raise national consciousness about the risks and opportunities presented by the aging of America.

As the campaign moves into its "serious" phase, however, it may be naive to imagine that candidates might actually treat us as if we could face serious problems seriously. Bill Clinton has had four years to address these problems and has not yet done so. And while elections elicit new proposals, they rarely produce serious discussion. The politicians are, naturally enough, trying to get elected. To get them to be serious, we ourselves would have to be serious. And if balloons, simple nostrums and promises of free candy are all we demand, that is probably about all we will get.



Clinton has adopted a Reaganesque command of symbols and ceremony, declaring "hope is back." And he has again reversed himself on welfare and taxes, asserting "the era of big government is over."

How much of this is to be taken seriously, others may judge. Choices have been framed: whether to continue on the current path or pursue a bolder reach for growth; to rely on government or "trust the people"; to "bridge" forward or back to the future. The problem is that such formulations, though important, are abstract. As presented by the major candidates, they barely touch fundamental issues America must face.

One such issue, growing middle-class entitlements, was mentioned in a convention speech, but not by any of the candidates. Colin Powell warned of "condemning our children and grandchildren with a crushing burden of debt that will deny them the American Dream." He noted, "We all need to understand it is the entitlement state that must be reformed, and not just the welfare state." Virtually all serious analysts agree: if entitlements are not reformed before the baby-boom generation reaches age 60, the feel-good talk about recent progress on the deficit will be replaced by a sense of crisis.

The sensible course is to avoid a baby-boomer retirement shock by addressing the problem well in ad-

Richard Darman is former Director of the Office of Management and Budget (1989-93) and author of "Who Is in Control?"



Illustrations by Steven Appleby

Foreign Affairs

THOMAS L. FRIEDMAN

Israel's Leadership Vacuum

Events always tend to move swiftly in the Middle East, but even for this region it is striking how swiftly all the bad ideas Israel's Prime Minister, Bibi Netanyahu, came into office with have been swept aside by the realities of his neighborhood. None of this should be surprising. It was obvious during the campaign that Mr. Netanyahu was very adept at playing on Israelis' anxieties about the Labor-led peace process. But it was equally obvious that Mr. Netanyahu never had any plan of his own for delivering the "peace with security" that he promised. So his first 100 days have been characterized by a series of half-baked proposals that have gone nowhere — so much so that the Israeli press is full of talk about the leadership vacuum at the top in Israel.

Mr. Netanyahu tried to get Syria to help Israel out of Lebanon, but while refusing to offer Syria an Israeli exit from the Golan Heights. That went nowhere fast. He assumed he could get Yasir Arafat to cooperate on preventing violence, but without having to sully himself by meeting Mr. Arafat. That plan came a cropper when Israel's President, Ezer Weizman, said he would meet with Mr. Arafat to keep the peace process alive, if Mr. Netanyahu didn't. Mr. Netanyahu assumed he could maintain good economic ties with the Arab states, even if he didn't advance the peace process much, but the threat by Egypt to cancel the Mideast economic summit set for Cairo in November, if Mr. Netanyahu wasn't more forthcoming to Palestinians, killed that notion as well.

There are three core reasons for Mr. Netanyahu's dysfunctional first

100 days and counting.

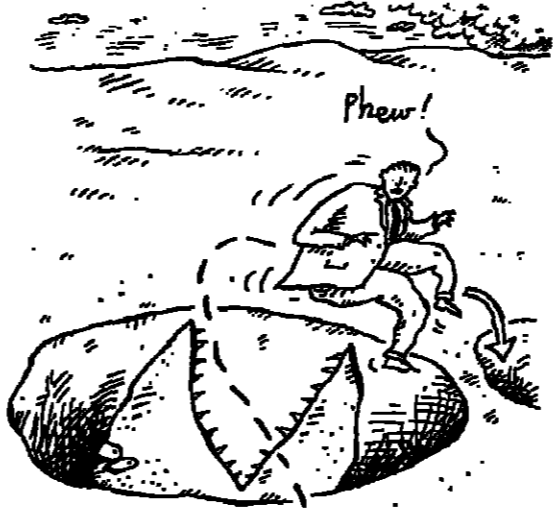
100 days. One is that he would truly prefer to freeze Israeli-Palestinian and Israeli-Syrian relations where they are — with no further peace moves, but with no deterioration to war. Because to take any serious further steps toward peace would force him to rethink his ideology and to expose Israel to war would destroy him with his public. But this leaves him walking in place, and exposed to the latest, greatest pressure. So when his settler constituency is mad, he throws them a bone of a new settlement. When the Arabs get mad, he tries to appease them with a meeting. It would be unfair to expect Mr. Netanyahu to carry out the Labor peace policies. But he has offered no coherent initiative for delivering peace with security that would have his own unique stamp on it and have some credible prospect for success.

The second reason is that Mr. Netanyahu has so few people around him whom he trusts. Many of his Cabinet colleagues are rivals who despise him, and the feeling is mutual. So he and his aides are fighting constant turf wars with others. Foreign Minister David Levy met with Mr. Arafat last month, and then nothing happened because Mr. Levy and Mr. Netanyahu couldn't agree on who would lead their side.

Mr. Netanyahu demands that Mr. Arafat close certain Palestinian offices in Jerusalem, he does it, and then Mr. Netanyahu responds by expanding Jewish settlements, bulldozing an "illegal" Palestinian center for the disabled and blocking Mr. Arafat from flying his helicopter to the West Bank, humiliating the Palestinian leader and hampering his ability to further compromise with Israel. All this at a time when Israeli security officials say Mr. Arafat has been very effectively preserving the peace. (Now, under pressure from America, Egypt and his own security officials, Mr. Netanyahu is trying to defuse the tension by exploring a framework for reviving negotiations with Mr. Arafat.)

The third reason, as Israel's leading columnist, Nahum Barnea, pointed out, is the "arrogance" and "thick-headedness" of the Netanyahu team, which came in assuming they could simply dictate to the Palestinians and not treat them as partners.

Mr. Netanyahu acts as if life is "Larry King Live." His first impulse is to try to deflect or sound-bite his way out of problems, rather than reality opening his mind to evolving realities. He often has the answer before he hears the question. Yet, he has aspirations to greatness. That's good. But to achieve such greatness is going to require a much more fundamental relearning than he realizes. If he does that, he can bring to Israeli society a consensus about moving forward that no one else can. If he doesn't do that relearning, he not only will miss out on the personal greatness to which he aspires, but he also will plunge Israel into a very, very serious crisis.



Sidestepping the entitlement problem.

Liberties

MAUREEN DOWD

Sadistic Yellow Vitriol

CHICAGO
From the boys-will-be-boys annals: Big Jim Folsom, also known as Kissin' Jim Folsom, the hard-drinking, bigger-than-life Southern populist who was Governor of Alabama in the 50's, was in a tough race once when his aides warned him that his opponent had laid a trap. The rival camp was sending out a beautiful woman to try to maneuver Big Jim into a compromising position.

The Governor took the news calmly. "Boys," he drawled, "if they use that bait, they'll catch off Jim every time."

Candidates may campaign in cyberspace now, but some things never change. Whenever pols talk loudly about virtue, vice is sure to be lurking nearby.

So it is not shocking that the amoral man who tried to make the President look like a moral man has turned out to be an immoral man.

It's really rich, though, the dizzy rise and fall of Dick Morris, Faust meets "Pretty Woman."

It is undeniably amusing to have a "leggy blonde," as the tabloids call Sherry Rowlands, sashay across the political stage, but the call girl's account of her trysts with the Clinton strategist at the Jefferson Hotel in Washington seems too good to be true.

Would any guy actually try to impress a girl by giving her the draft of an endless Al Gore speech (aside from Al Gore, of course)?

Would Mr. Morris need to show off by letting his \$200-an-hour consultant listen to the President's voice when she was already, as Julia Roberts's pretty booker told Richard Gere, "a sure thing"? Were those discounts just a professional courtesy? And you gotta love a wannabe who likes to go out on the balcony and wave to his imaginary fans?

The alleged toe-nibbler tripping over the President's big speech was poetic justice.

Mr. Morris railed against "the sadistic vitriol of yellow journalism." And Clinton spinners, called once more into the breach, again argued that the press was tawdry for reporting personal matters.

But their protestations rang false, delivered in the midst of a Democratic carnival of personal confessions, of calculated intrusions of private lives into public life, designed to win the votes of families and females. Exhibitionists are in no position to complain that others are looking, when the unedifying bits be-

come as visible as the edifying ones.

And then there was the problem of the President's reflected unglory. If Scott Reed were caught in a scandal, it would not say much about Bob Dole. But many people believed that Dick Morris was Bill Clinton's double, and the disclosure of sexual impropriety did nothing to interfere with that possibility. The proteans bonded because both put polls above principles, winning above authenticity.

As Mr. Clinton made him rich, Mr. Morris did not bother with the First Client's better angels. He addressed himself to the corruptible side of the President. Bill and Hillary Clinton, who like to act high-minded while cutting corners, bending the rules and changing the subject, eagerly made

'War Room' to 'Pretty Woman.'

use of the mercenary's arts. The couple who decry cynicism hired the most conspicuous cynic of the era.

Mr. Morris said privately that Mr. Clinton was a hollow man. But maybe he meant it as a compliment. He brazenly told journalists he was running Mr. Clinton, who survived a public confession of infidelity in 1992, more as Pope than President, a moral force disciplining America's teenagers, a sober protector of home, family and conservative values.

Mr. Morris's nemesis at the White House are happy to see him go. But now Mr. Clinton won't have Rasputin to kick around any more. The myth of the villainous, all-powerful Dick Morris served the President well. His lurch to the right could be described as the outcome of an internecine war on his staff, over which Mr. Clinton could seem to preside in an Olympian way, without real accountability.

The presence of Mr. Morris made it possible for Mr. Clinton to seem conservative and post-ideological at the same time. But from now on, it's Mr. Clinton himself against the liberals, if that is the way he wishes to go. The next time the welfare reform President chooses to sacrifice a liberal constituency, no alleged evil genius will be around to take the heat.

Never mind the racy bathrobe pictures from the Jefferson. It is the President who has no clothes.

OPERAS, BALLETS, COLLECTIONS ON CD - FROM NAXOS

FOR THE FIRST TIME - COMPLETE OPERAS, BALLETS AND COLLECTIONS OF WORKS ON QUALITY CD'S - AT AFFORDABLE PRICES

1. GISELLE - 2 CD's Slovak Radio SO, conducted by Andrew Mlynsky JP Price NIS 58.00	2. THE BARBER OF SEVILLE - 3 CD's Roberto Serra, Sonia Gavarró, Ramon Vargas, Hildegarde Rodriguez, Fabrice Chamberlain, with Will Hurnburg conducting JP Price NIS 58.00	12. L. VAN BEETHOVEN - Complete Piano Sonatas Performed by Jano Jando 4 Vol. 1 - 11 CDs Sonatas Nos. 1-3, 5-8, 11, 12, 14, 16, 18, 23, 25, 29 JP Price NIS 139.00 31 Vol. 2 - 14 CD's Sonatas Nos. 4, 9, 10, 13, 15, 17, 19-22, 24, 26-29, 30-32 JP Price NIS 139.00
3. THE MAGIC FLUTE - 2 CD's Nelly Meloni, Silvano Caronì, Slovak Philharmonic Chorus, Czech-Slovak PSO, conducted by Alexander Raibart JP Price NIS 58.00	4. TORSCA - 2 CD's Nelly Meloni, Silvano Caronì, Slovak Philharmonic Chorus, Czech-Slovak PSO, conducted by Alexander Raibart JP Price NIS 58.00	13. W.A. MOZART - COMPLETE PIANO CONCERTOS Performed by Jano Jando 31 Vol. 1 - 11 CD's Piano Concertos Nos. 8, 11-14, 17, 18, 20-22 JP Price NIS 139.00 31 Vol. 2 - 8 CD's Piano Concertos Nos. 1-6, 10, 15-18, 21-23, Rondo K.362, 368 JP Price NIS 139.00
5. LA BONNEME - 2 CD's Luba Dragouska, Johanna Weich, Carmen Gormas, Czech-Slovak PSO with Will Hurnburg JP Price NIS 58.00	6. MADAMA BUTTERFLY - 2 CD's Mitsuko Uchida, Yoko Remko, Georg Tichy, Slovak Philharmonic Chorus, Czech-Slovak PSO, conducted by Michael Felmet JP Price NIS 58.00	14. J.S. BACH - WELL-TEMPERED CLAVIER 2 CD's Performed by Jano Jando (Hungary), an outstanding pianist, issuance of legendary recordings JP Price NIS 58.00

To: JP Music Collection, The Jerusalem Post, POB 81, Jerusalem 91000
Please send me the following complete operas/ballets/collections from NAXOS

Title	Price
Door-to-door delivery	NIS 15
TOTAL	

Enclosed is my check for the correct amount, payable to The Jerusalem Post, or credit card details
 VISA ISRAELCARD DINERS AMEX
 CC No. _____ Exp. _____ Name _____
 Address _____ City _____ Code _____
 Tel(day) _____ ID No _____ Signature _____

02-241282
02-241212
e-mail - orders @ jpost.co.il

FILM

Spiritual Values Are In, But, Please, No Sermonizing

By GUSTAV NIEBUHR

FOR much of its history, when Hollywood made a religious movie, it left little to the imagination. Oceans parted, bearded prophets led surging crowds, and God's voice roared from on high.

Such chapter-and-verse literalism, of the sort found in Cecil B. DeMille's "Ten Commandments," may be a thing of the past, but religious messages can still be found in the movies. The difference, these days, is that cinematic spirituality tends to be subtle, a below-the-radar subtext for those (to borrow a biblical phrase) who have eyes to see or ears to hear.

Some moviegoers found cinematic sermons writ large in the defiance of the Scottish rebels of "Braveheart," the moral transformation of a death row prisoner in "Dead Man Walking" and even the persistent courtesy of the talking pig in "Babe."

A timely example of this trend is "The Spitfire Grill," which opened last week to critical praise. In it, Alison Elliott plays Percy Talbott, a young woman who finishes a five-year sentence in a Maine prison and serves her parole in rural Gilead. She finds a job in the diner owned by Hannah Ferguson (Ellen Burstyn) that gives him his title, and she befriends a local woman named Shelby Goddard (Marcia Gay Harden).

The film's popularity at the Sundance film festival in January won it the Audience Award, though the movie industry was stunned when Castle Rock Entertainment paid \$10 million for it, a Sundance record. The buzz turned to dismay in some quarters when it turned out that "The Spitfire Grill" had been made by a religious organization.

A tear-jerker about Percy's reconciling effect on the village, the film barely mentions God and studiously avoids religious symbols like Roman collars, prayer books and stained glass. But the company that made "The Spitfire Grill" says many viewers have identified its message as redemption, a broad religious concept.

The film was financed by Gregory Productions, the for-profit arm of the Sacred Heart League, a Roman Catholic charitable organization based in Mississippi. Its mission statement says Gregory Productions exists to promote Judeo-Christian values, especially reverence for God.

Last fall, when Gregory invited major film distributors to Memphis to see the film, it distributed a brochure on the group's mission to the 40 representatives who attended. At Sundance, Gregory made no effort to hide or to publicize its affiliation, but the connection was not generally known and prompted some movie people to wonder if the film might be proselytism in disguise.

That was the furthest thing from our mind," said Roger Courts, executive director of Gregory Productions and director of the Sacred Heart League, which made the film for \$6.1 million. "Catholics are encouraged not to proselytize."

The writer and director of "The Spitfire Grill," Lee David Zlotoff, who is Jewish, said he told Gregory executives at the outset that he would not help them make a religious film. "I was more interested in telling a good story," Mr. Zlotoff said. "If a story has lots of levels and possibilities of meaning, I say it's a good story."

As for the negative voices at Sundance, he said, "To me, it just seems to point to a very high level of cynicism these days."

Nonetheless, the concern raised by those movie executives was telling, suggesting that for some the perception that a film contains a subtle religious message renders it suspect. It is as if moviegoers must be protected from religious ideas or affiliations not explicitly identified as such, as if these ideas must be intellectually set apart rather than wov-

en unobtrusively into the lives of a story's characters.

Because film makers are people with opinions, no movie can be value-neutral without risk of being utterly vacuous. Even if a film's producers describe it as "pure entertainment," it can hardly lack a viewpoint about human relations or say nothing about what sort of behavior wins the day.

Every time an Arnold Schwarzenegger picks up a weapon to settle a dispute or a Meg Ryan perseveres against the odds to find true love or a cartoon Pocahontas delivers a tribute to the environment, a message about how to live is aimed at the audience.

Last year, "Braveheart" thrilled conservative evangelicals who saw in it a clear message that God's law is superior to the law of the state.

Religious themes — serious or otherwise — have long appealed to film makers. Consider some fall and winter releases: "Breaking the Waves," a Danish film, set in 1960's Scotland, about a strict religious sect's power over a woman; "The Crucible," based on Arthur Miller's play about the Salem witch trials; "Michael," with John Travolta as a womanizing archangel in Iowa, and "The Preacher's Wife," a remake of "The Bishop's Wife" of 1947, with Whitney Houston in the Loretta Young role and Denzel Washington as the angel played by Cary Grant.

"Entertainment," said Margaret

which recently opened an office in Los Angeles, selected "Dead Man Walking" for its first annual award honoring a movie that the organization deems to have helped people "know God better." Mr. Baehr said Good News had come up with a list of no fewer than 16 other movies that could as easily have won the award.

Most recently, he said, he was taken by Disney's "Hunchback of Notre Dame," with its Christian images in the cathedral's stained glass and its scenes of prayer. "The movie is explicitly Christian," he said.

In the "Spitfire Grill," Mr. Baehr said, he was impressed with the characterizations of forgiveness, reconciliation and self-sacrifice. "I think they bent over backwards not to be religious," he said of the film makers. Nonetheless, he called the movie a "theological piece."

Mr. Wall, of The Christian Century, said he had not yet seen "The Spitfire Grill" and so could not comment on it. But he said he had been disturbed by the criticism of the movie, adding that suspicion of the financial involvement of Gregory Productions amounted to a bias against religious people.

"You judge a movie based on what you are seeing," he said. "If you feel you're being proselytized, walk out and demand your money back."

Indeed, proselytism may be largely in the eyes of the beholder. Take "Babe," for example. Mr. Wall was not alone among religious movie critics in finding in the story of the cheerful pig a distinct value system — that you can get along with others if you're nice to them.

Mr. Wall said John Ford's 1936 masterpiece, "The Searchers," provided an example of Christian values on the big screen. The movie stars John Wayne, in what many call his greatest role, as a former Confederate soldier embarked on a violently obsessive, seven-year search for a niece abducted by American Indians.

"John Ford's Catholicism is working on you in that film," Mr. Wall said. With tongue partly in cheek, he added, "If you're not careful, you'll come out thinking it's better to forgive than to seek revenge."

But will audiences think "The Spitfire Grill" is preaching at them? The film can be taken as a secular story, virtually devoid of the overt religious scenes of, say, Hugh Hudson's 1981 film, "Chariots of Fire," which featured a Scripture-quoting missionary as an Olympic sprinter, or Robert Benton's "Places in the Heart," a 1984 tale of a farm family's struggle, which ends with a communion service and a surreal moment in which a dead man hands his killer the communion plate.

Lots of films use spirituals. Does that make them religious?

R. Miles, a dean at Graduate Theological Union in Berkeley, Calif., "is the mask for the communication of all kinds of things."

Professor Miles, who is also the author of "Seeing and Believing: Religion and Values in the Movies," said movies communicate religious values when they prompt people to reflect on their lives or on their relationships to others or to God. That occurs, she said, "under the guise of thinking about the lives of some film characters."

Asked to name a recent film that did just that, she cited "Dead Man Walking," in which Susan Sarandon portrayed a real-life nun, Sister Helen Prejean, a dedicated opponent of the death penalty who works with condemned prisoners in Louisiana.

"Dead Man Walking" seems to have caught the imagination of a wide spectrum of religious viewers. James Wall, editor of The Christian Century, a moderately liberal Protestant magazine, said that regardless of the director Tim Robbins's intent, the movie "commends the Christian faith as a way of facing the greatest crisis, which is one's own death."

Speaking from a more conservative perspective, Ted Baehr, chairman of Good News Communications in Atlanta, hailed it as a movie with "clear evangelistic principles." He called "Dead Man Walking," "Braveheart" and the film version of "Les Misérables" movies whose religious values appear so clear they "could have been made by the Billy Graham Association."

Mr. Baehr's organization publishes Movie Guide, a biweekly magazine that rates movies according to artistic merit and moral content. With an eye to Hollywood's bottom line, he reminds studio executives that "family films" — G- and PG-rated fare, with or without religious themes — do much better at the box office than R-rated films.

The population, Mr. Baehr asserts, is aging, its cinematic tastes growing more staid, and interest in religion is picking up.

Earlier this year, Good News,

No preacher sets foot on the screen in "The Spitfire Grill." Percy and Shelby meet twice in the village church, but the building is derelict, stripped of religious symbols. Percy carries a book, from which she reads aloud, but it is "The Odyssey," not a New Testament.

Yet religious references seem to abound. Gilead, the name of the village, is well known in the Bible, which links it with healing. Gilead's founding is mentioned in Genesis, and later, the prophet Jeremiah speaks of a "balm," a medicinal resin, to be found there.

In the film's gentlest moment, Percy walks through the woods, singing the refrain of an African-American spiritual ("There is a balm in Gilead, to make the wounded whole . . ."), befriending a mysterious character in the process.

But to focus on these elements was to read a religious message into his story, Mr. Zlotoff said.

His fictional village takes its name from a real town in northern New England, largely for logistical reasons. "I was looking at a map of Maine, and there it was," he said. "I needed a town that was near a national wilderness." Only afterward did he decide to have Percy sing the hymn. "Lots of films use spirituals," Mr. Zlotoff said. "Does that make them religious?"

In Mr. Courts's view, "The Spitfire



Alison Elliott, left, Ellen Burstyn and Marcia Gay Harden in "The Spitfire Grill"

Grill" is partly about hospitality. "That's a good Judeo-Christian value," he said, "and a value in any moral person's vocabulary."

At the Memphis screening last fall, a few miles from Gregory Productions's headquarters in Southaven, Miss., Mr. Courts said, area residents described their reactions in language that moviegoers would use about any film. They liked the absence of sex and violence and appreciated too that the characters could sort out what was important in life from what was not.

"I've often felt inspired by movies," Mr. Courts said. "There have been a lot of movies that I wish we had made, whose effect has been wholesome and salutary." As an example, he cited "Schindler's List."

In fact, Steven Spielberg's 1993 movie about the efforts of a German

businessman to rescue several thousand Jews from the Holocaust is a case in point about how people attuned to thinking about religious values can find them in a popular movie — in this instance, one that could be viewed entirely as historical drama.

To the Rev. Ellwood (Bud) Kieser, 67, a Catholic who is president of Paulist Pictures in Hollywood, "Schindler's List" was "a profoundly religious picture," centering on human suffering and how God can work for good through a flawed individual who has come face to face with the demonic.

At Paulist Pictures, Father Kieser produced "Romero," a film biography of El Salvador's murdered Archbishop, starring Raul Julia, and will soon release "Entertaining Angels," an obviously religious movie about Dorothy Day, a founder of the Catho-

lic Worker movement. Father Kieser said he did not care for didactic, Sunday-school-style movies about religion. A movie need never mention God, he said, but can still convey to audiences "the reality of God." He cited "The Shawshank Redemption," a 1994 movie about a friendship that develops between two prisoners, played by Morgan Freeman and Tim Robbins.

God's name went unspoken in the movie, except when it was taken in vain, Father Kieser said. Nonetheless, he credited the film as offering a hymn to human dignity. "If God is the realest of the real," he added, "then the more reality a picture has, the closer it is to God."

But whether moviegoers perceive and appreciate what they see on the big screen in that way is another matter. "They can make up their own minds," he said, "about whether they buy into it or not."

WHO SAID THAT?

BY DAVID J. KAHN / EDITED BY WILL SHORTZ

ACROSS

- 1 Labor Party, in England
8 Not as outgoing
13 Cut
19 Upper jaw
20 Somnolent state
21 Filmom's Peter
22 "Nobody wants justice"
24 New version
25 Passport datum
26 Kitchen finish
27 Puppet
29 Let go
30 "Vote early and vote often"
33 Dime
35 More divine
38 Work unit
40 Aristocratic beliefs
44 It's said to be not as lovely as a tree
45 Comparative words
47 Grayish green
49 Excuse
50 "By the time we've made it, we've had it"
54 British parent, familiarly
55 Open school grp.
56 Add-on
57 Reddish-brown gem
58 Squealer
59 Walk like a vamp

Crossword grid with numbers 1-125 indicating starting points for clues.

- 61 Honda rival
64 Out of port
66 Get but good
67 Word with ticket or rail
68 "I used to be Snow White, but I drifted"
70 Dawdle
71 Ring contents?
72 Fawn-colored antelope
73 Salvador's country, to Salvadorans
75 Act of law enforcement
78 Suffix with expert
79 Ho Chi Minh trail locale
80 Bill in the till
83 Social worker?
84 Constellation next to Scorpius
85 "It's not easy being green"
89 Start of a vol. I heading
90 Broadway's fate?
92 Some promos
93 Simpletons
94 Italian noblewoman
96 Georgia, once: Abbr.
98 Supermarket device
100 Composer Bruckner
101 "Start every day off with a smile and get it over with"
104 Quite a nose
107 Kind of kick
110 Song syllables
111 Curator's degree
114 Be pregnant
116 "If I were two-faced, would I be wearing this one?"
120 Magazine illustration
121 Spree
122 Broke out
123 Treeless tract
124 Impurity
125 Purchase incentives
18 It's done
20 One of TV's Huxtables
23 Indy 500 advertiser
25 Automaton
30 Actor McCowen
31 Wheels for wheels
32 Hand to
34 Light cotton fabrics
35 Foxes, e.g.
36 Fire
37 "You'd be surprised how much it costs to look this cheap"
39 Bribed, so to speak
41 "Everything you see I owe to spaghetti"
42 In an unspeakable way
43 Talented one
45 House support
46 Do lawn work
48 Adlai's 1956 running mate
51 Grueling 3-Down, for short
52 —jogg
53 Comparatively tanned
60 Ankles, anatomically
62 Der — (Adenauer)
63 Wrong
64 Some wedding gifts
65 Diamond stats
67 The way of the gods
68 Equally
70 Track event
74 Twaddle

- 75 W.W. II participant
76 "It is educated insolence"
77 Judge
79 Stopper
81 Detecting ability
82 Elbe tributary
86 Dramatist Connolly
87 Mild oath
88 Press areas
91 Roof type
95 Fill
97 Workout garb
98 Popular product
99 1948 Oscar winner Trevor
102 Bakery offering
103 Cartesian words
104 Drinks: Abbr.
105 Kind of poll
106 Place for a vault
108 Construction piece
109 Fleming villain
111 Early feminist
112 Vanocose
113 Common connections
115 Climax
117 Owms
118 'Gist
119 Tax consultant, often

ANSWER TO PREVIOUS PUZZLE

Grid of answers from the previous puzzle, including words like CRANE, GISTE, GRASPS, SLALOM, ECLAY, REDFOLL, etc.



Loretta Young and Monty Woolley, above, in "The Bishop's Wife," a 1947 fable with Cary Grant as a guardian angel. "The Preacher's Wife," a remake, will star Whitney Houston and Denzel Washington.

سكنا من الاجل

Good faith in contracts

LAW REPORT
ASHER FELIX LANDAU

IN the Supreme Court, sitting as a Court of Civil Appeals, before the President Justice Aharon Barak and Justices Eliezer Goldberg and Yitzhak Zamir, in the matter of Ya'acov Klemmer, appellant, versus Meir and Sara Guy, respondents (C.A. 986/93).

Klemmer, who owned a piece of land, entered into a "combined transaction" with Meir and Sara Guy. The latter, through a contractor, were to build two houses on the land, on one half a home for Klemmer, and on the other half one for themselves. Klemmer undertook, in return, to transfer to them the half on which their home was to stand.

JUSTICE ZAMIR delivered the first judgment. Klemmer submitted, he said, that there was no completed agreement between the parties. He also argued that if any agreement was reached, it was invalid since it was "a transaction in immovable property" which was only verbal, and not in writing as required by section 8 of the Land Law of 1969.

The District Court found there was a completed verbal agreement. It also upheld the claim on the ground that Klemmer's obligation of good faith towards the respondents was sufficient to justify the order they requested, even if no written agreement had been made.

The District Court judge who heard the evidence had retired, and the judgment was given by another judge who relied on the transcript. Although an appeal court usually refrains from dealing with questions of fact, Justice Zamir, in the circumstances, analyzed the facts in detail, and agreed with the District Court that a verbal agreement had been reached.

UNDER section 12(a) of the Contracts (General Part) Law of 1973, he continued, "a person, in negotiating a contract, shall act in customary manner and in good faith". Also section 39 of that Law required that "an obligation or right arising out of a contract shall be fulfilled or exercised in customary manner and in good faith".

After reviewing several precedents, he said there was a conflict of opinion as to whether the absence of good faith could justify enforcement of a verbal contract relating to "a transaction in immovable property".

In the present case, however, he found no necessity to answer that question.

The parties before the court, he said, did not enter into an ordinary "transaction in immovable property". There was a "combined

transaction" involving two separate obligations. The respondents undertook to build on the property, and Klemmer undertook to transfer their rights to the property. Moreover, the combined transaction had almost been completed. The respondents had erected the building, Klemmer had taken possession of his share, and the respondents had possession of theirs. Now it was Klemmer's turn to transfer to the respondents their rights, and he refused to do so. Most Klemmer's obligation now not be recognized because there was no written agreement?

After reviewing further authorities, he held the documents showed a "combined transaction" between the parties, as distinguished from an ordinary building transaction. If the documents were not enough to establish that the parties reached the stage of actual obligations, the partial implementation of the transaction - both parties taking possession of their portions - was more than sufficient to prove that the parties completed the "combined transaction", all the principal features of which appeared in the documents and in the very buildings themselves.

He proposed, therefore, that the appeal be dismissed, and Klemmer be ordered to pay the respondents' costs in the sum of 25,000 NIS.

JUSTICE BARAK concurred in dismissing the appeal. He agreed with Justice Zamir that the requirement of a written agreement laid down by section 8 of the Land Law had not been complied with in this case, but he disagreed with his opinion that the partial implementation of a "combined transaction" could take the place of a written agreement under that section.

Nevertheless he agreed to the dismissal of the appeal on the ground of Klemmer's absence of good faith as required by the relevant sections of the Contracts (General Part) Law. Those provisions should be applied with great care only in the most extreme circumstances where elementary fairness demanded that course, and this was such a case.

Justice Goldberg also agreed with Justice Zamir that the appeal be dismissed. He was wary of limiting the application of section 8 of the Land Law. However, he agreed with the President that in appropriate cases in which, as one scholar had written, "overlooking the demand of 'good faith' would lead to a hard and unjust result opposed to the basic principles of fairness", the principle of good faith should be applied. That was the case here.

For the above reasons the appeal was dismissed, with costs in the sum of 25,000 NIS.

Yehuda Ressler appeared for Klemmer, and Advocate Neeman appeared for the respondents.

The judgment was given on June 12, 1996.

Western Europe's largest Jewish community finds plenty of room to flourish, Tom Tugend writes from Paris

THE Jewish community of France, the largest in Western Europe, is a study in contrasts. On the bright side, French Jewry is living in a golden age, in which a Jew can aspire to the highest positions in the land, and its relationship to Israel is closer than any other Diaspora community. On the somber side, the primary communal institutions are outmoded and in a state of barely suppressed mutual hostility, intermarriage is sky-rocketing, and French Jewry's cultural pre-eminence - like that of France in general - is on the decline.

The appraisal comes from Jean-Jacques Wahl, the deputy-director (and soon to be director) of the Alliance Israelite Universelle and its international educational network.

At 47, Wahl, who traces his French-Jewish lineage back to the Middle Ages, is young enough to tell it as he sees it, and experienced enough to be considered one of the most astute observers of French Jewry.

There are no exact figures on how many Jews live in France today, but Wahl's educated guess puts the number at between 500,000 and 750,000, of whom perhaps one-third to one-half are affiliated with synagogues and Jewish clubs. The Jewish community more than doubled in size after World War II, thanks to massive immigration from Algiers, Tunisia and Morocco, but the population has now stabilized.

While the old Yiddish saying that someone "lives as happily as God in France," may be less apt now, life is good for the majority of French Jews. Currently, being Jewish is "in," at least in artistic and intellectual circles. "You hear lots of people saying proudly, 'My grandmother was Jewish' or 'I am married to a Jew,'" says Wahl.

"In a sense, we are living in a time akin to Jewry's golden age in Spain, when you could be Jewish and obtain any position in society," he continues. "A Jew can now become prime minister or even an archbishop," notes Wahl. (Indeed, the present Archbishop of Paris, Cardinal Jean-Marie Lustiger, speaks proudly of his Jewish roots, and a venerable gag has it that Paris has a Sephardi chief rabbi and an Ashkenazi archbishop.)

While the road to the pinnacle is open to most Jews, even those



Two French youngsters face a promising future. When they grow up they will find doors open to them in a country where Jews can ride high.

who stress their Jewish identity, there is a catch.

"A truly observant Jew, who keeps kosher and won't travel on Shabbat, can't rise to the top," says Wahl. "The story of the American-Jewish ambassador to Belgium, who koshered the U.S. embassy in Brussels, that couldn't happen with a French embassy."

As for the future, Wahl reflects on Jewish history. "All golden ages come to an end," he says. "The only question is when?"

Another bright spot is the community's relationship to Israel, which Wahl describes as "the most specific trend in French Jewry." The close relationship is buttressed mainly by the short traveling distance between Israel

and France, the fact that almost all French Sephardim have relatives in Israel, and the presence of what Wahl calls "imaginary Zionists," who look on Paris as a suburb of Tel Aviv.

One outcome of these combined circumstances is that practically all Jewish students in France have been to Israel, usually more than once, resulting in a high Hebrew literacy rate. "In the summer, half of France's Jews are in Israel," says Wahl.

AS IN THE OTHER States, and most other Diaspora communities, social acceptance has its downside. The generally accepted intermarriage rate stands at 50 percent, identical to the American figure, but Wahl adds a caution-

ary note for hand-wringers. "You can't measure assimilation by these figures," he says. "Thirty

years ago, if Jews intermarry they cut their links to the community. Now it's more part of the process in which some re-orient their ties to the Jewish community and others come back later. When an American visitor refers to the old bromide Jewish communal life, "take Jews and get three opinions," Wahl responds emphatically, "France, it's worse. The between our organizations is part of our main problems."

Among the chief organizations are CRIF (Conseil Représentatif des Institutions Juives de France) as the political spokesman; Consistoire Central Israélite de France as the supreme religious body; the Fonds Social Juif de France as the primary social welfare agency; and Wahl's ADIA (Alliance Israelite Universelle).

Wahl cheerfully admits that organization, as all the others lack any democratic input from its constituents. The Consistoire, he adds, was created by Napoleon and still runs on the same principles, with an Orthodox leadership estranged from a largely non-Orthodox community.

"The real Jewish life takes place outside the main organizations," says Wahl.

Much of that "real" life is in the cultural sphere, and here choice is wide but the level is lower than in the good old days of French hegemony.

As in America, "much Jewish culture has become part of the general culture," says Wahl. "Jews strongly represent the movies, television and theater."

In any given week, there is a wider selection of cultural, intellectual and artistic offerings in Paris than in London, New York, the widely traveled Wahl believes, but the level both general and Jewish culture has declined over the past generations.

"There are few outstanding artists and thinkers of world stature" in France today, says Wahl, and that also holds true for Jewish culture and Jewish studies.

The painful subject of French collaboration under Nazi occupation still has not been laid to rest but Wahl cautions against facile judgments. "There was probably the same proportion of Frenchmen who saved Jews as those who actively collaborated with the Nazis," says Wahl. "Most of the people just did care."

Hidden death traps: Land mines still not outlawed

LAST week, once again, the proposers of new additions to the Geneva Convention failed in their attempt to outlaw land mines. To parts of the world this went unnoticed, for they have never been plagued with this particularly grisly aftermath of warfare. But for others, in many countries, this was a critical issue. For this is a war that never ends. Eighty percent of its victims are civilians, many of them women and children.

Years after hostilities in a given area have ceased, the toll of victims still mounts. And there is no hopeful end in sight. The cause of these casualties is the vast number of unexploded land mines left behind by opposing forces at the time of the original conflict.

According to the best available estimates there are somewhere around 100 million land mines still planted in the earth in various areas. Maps of their placement no longer exist - if they ever did, and each and every mine is a potential killer, or at least maimer, of the unsuspecting person who steps on it.

In the past 20 years, slightly over one million men, women and children have been maimed or killed by mines left over from previous wars.

According to the International Red Cross it would take 30 years to detect and destroy all the left over land mines strewn throughout the Afghanistan countryside by the Soviet Union and the opposing rebel forces. Dozens of people are killed or lose limbs every year from these mines.

In Cambodia it is estimated that there are 10 million mines left over from previous conflicts.

Recently the United States sent a team of demolition experts to Cambodia to train local sappers in the detection and removal of land mines. Their situation was the

same as that of almost all sappers at work in mine disposal today.

Neither the instructors or the students, who daily risk their lives in this task, were even born when the mines were planted. Nor were most of the potential victims of this grim and deadly legacy.

But these are not the only places with such a hidden danger. Millions of mines still lie hidden in Vietnam, Laos, Korea, Somalia, Sudan, Iran, Iraq, Syria, Jordan, Israel and Egypt as well as dozens of other places including many spots in Europe where mines left over from World War II still lurk just below the surface.

But even as efforts are being made to locate and dismantle these hidden death traps in many places, new mine fields are being laid down today in other spots of this troubled world.

Tens of thousands of land mines are being laid every week in areas of the former Yugoslavia, in areas of the breakaway republics of the former Soviet Union, in Rwanda, along the borders of Tanzania and again in the jungles of South America and some places in Africa.

Because of the long active life of these booby traps, the difficulty and danger of locating and dismantling them once conflict has ended, and the frightful toll these mines

EARTHLY CONCERNS

D'VORA BEN SHAUL

take of life and limb of the innocent, the International Red Cross has repeatedly tried to get land mines declared an unlawful weapon. But to no avail.

The land mine is cheap to produce, easy to deploy and highly effective.

It is doubtful that any nation with a standing army would opt out of the possibility of continuing to use this weapon of devastation.

ONE - on - ONE !

with TONY LITTLE, your own certified PERSONAL TRAINER, America's favorite morning television exercise star -

Start with just 5 minutes a day - you'll see results within 30 days Exercise at your own rate - without jumping - in a choice of 3 workouts: (All tapes in English)



TARGET - FITNESS (60 minutes...) Improve your overall physical fitness level JP Price NIS 49.00

TARGET - THIGHS (length approx. 35 min.) Strengthen the thighs and bottom while shaping your body JP Price NIS 41.00

TARGET - STOMACH (length approx. 35 min.) Strengthen stomach muscles while slimming your body shape JP Price NIS 41.00

Cassettes feature a running clock; choose from 3 levels of skill portrayed simultaneously with inset picture; includes tips on eating wisely

JP SPECIAL: All three for NIS 119

To: The Jerusalem Post, POB 81, Jerusalem 91000

Please send me the following video cassettes:

TARGET-FITNESS TARGET-THIGHS TARGET-STOMACH

I have enclosed my check payable to The Jerusalem Post, or credit card details:

Visa ISC/MCD Diners AmEx

CC No. _____ Exp. _____ ID No. _____

Name _____ Address _____

City _____ Code _____

Tel.(day) _____ Signature _____

ORDER BY PHONE OR FAX
02-241232
Fax: 02-241212
E-mail: orders@post.co.il

In these times you cannot AFFORD to be without THE JERUSALEM POST

SHELTERED HOUSING IN JERUSALEM

Mivneh Rav Dvot Ltd. - Red Sea Hotels Ltd., is building a prestigious housing project consisting of 120 two and three room apartments, designed according to residents' individual needs.

Residents will enjoy a warm, homey atmosphere. All apartments will be equipped with a kitchenette, central heating, built-in cupboards, kitchen cabinets, intercom system, internal and external phone lines, and central television antenna.

Services to residents will include: restaurant, cafeteria, lounge, library, clubroom, synagogue, activities rooms, laundry room, cleaning and maintenance service, covered parking, and individual mailbox. A fully-equipped, modern nursing wing will be built in due course.

The center will be managed by Migdal Nofim in conjunction with residents.

* Nofei Gilo is accepting self-sufficient adults over 55, subject to the approval of the admissions committee.

* Residents will pay a deposit, relative to the size of their apartment, which will be returned when they leave the center (to them or to their heirs).

Nofei Gilo - Discover the Good Life

NOFIM

NOFIM TOWER (JERUSALEM) LTD. מגדל נופים (ירושלים) לטו.מ.מ.

Approximate entry: at the beginning of 1998 Model apartment is open

For further details: 177-022-3118

BUSINESS & FINANCE

Monday, September 2, 1996

Sharansky: I won't be industrialists' mouthpiece

DAVID HARRIS

INDUSTRY and Trade Minister Shimon Peres will not act as a mouthpiece for the Manufacturers Association, the minister told *The Jerusalem Post* yesterday. Traditionally the ministry was as a mouthpiece for industrialists, he said. "I have made it clear I don't feel myself comfortable in the role of being a mouthpiece for anybody," he said. However, Sharansky said it is still his responsibility "to be sure the point of view of industrialists is taken into account in the discussions taking place."

During last year's first eight months the government deficit totalled NIS5.3b. Senior Bank of Israel sources said in response that the government might ultimately be compelled to raise taxes, unless it manages to launch a drastic budget cut that would pertain to this fiscal year. Finance Minister Dan Meridor may have hinted at such a prospect when he said yesterday he saw an "undesirable" deficit which was accumulated to finance an improvement in the general standard of living. The government's budget-cut plan, which has yet to win the Knesset's approval, pertains mainly to next year's budget, from which it seeks to slash NIS4.9b. From this budget year the plan sheds only NIS350 million, which the Bank of Israel says is roughly a third of the amount necessary to stem the fiscal depletion which has been raging so far this year. The bulk of the deficit for August stemmed from smaller-than-expected revenues, which in turn reflect excessive preliminary estimates on the part of the Treasury. In all, the government's total spending last month totalled NIS10.05b, while its revenues reached only NIS 7.96b. Capital raised from the public this month totalled NIS 569m. Since the beginning of the year the Peres and Netanyahu governments have spent a combined NIS80.6b, while their local earnings totalled NIS72b. Capital raised locally over that period, including privatizations, totalled NIS 3.4b.

Budget deficit already exceeds target for all of '96

Central bank: Tax hikes imperative if cuts not increased

Jerusalem Post Staff

THE government's domestic spending in August exceeded its domestic earnings last month by NIS2.089 billion, the Finance Ministry's accountant general yesterday reported. Since the beginning of the year the government's local deficit has reached NIS8.6b., well above the NIS7.6b. targeted for the entire year. During last year's first eight months the government deficit totalled NIS5.3b. Senior Bank of Israel sources said in response that the government

might ultimately be compelled to raise taxes, unless it manages to launch a drastic budget cut that would pertain to this fiscal year. Finance Minister Dan Meridor may have hinted at such a prospect when he said yesterday he saw an "undesirable" deficit which was accumulated to finance an improvement in the general standard of living. The government's budget-cut plan, which has yet to win the Knesset's approval, pertains mainly to next year's budget, from which it seeks to slash NIS4.9b. From this budget year the plan sheds only NIS350 million, which the Bank of Israel says is roughly a third of the amount necessary to stem the fiscal depletion which has been raging so far this year. The bulk of the deficit for August stemmed from smaller-than-expected revenues, which in turn reflect excessive preliminary estimates on the part of the Treasury. In all, the government's total spending last month totalled NIS10.05b, while its revenues reached only NIS 7.96b. Capital raised from the public this month totalled NIS 569m. Since the beginning of the year the Peres and Netanyahu governments have spent a combined NIS80.6b, while their local earnings totalled NIS72b. Capital raised locally over that period, including privatizations, totalled NIS 3.4b.

the part of the Treasury. In all, the government's total spending last month totalled NIS10.05b, while its revenues reached only NIS 7.96b. Capital raised from the public this month totalled NIS 569m. Since the beginning of the year the Peres and Netanyahu governments have spent a combined NIS80.6b, while their local earnings totalled NIS72b. Capital raised locally over that period, including privatizations, totalled NIS 3.4b.

BUSINESS BRIEFS

Korean parliamentarians on visit seeking closer economic ties: A delegation of four senior Korean parliamentarians, led by former Interior Minister Lee Han Dong, is in Israel this week. The group, which is believed to be looking at forming closer economic ties with Israel, is scheduled to meet with Prime Minister Benjamin Netanyahu this afternoon. *David Harris*

Exports of polished diamonds rose 10 percent in August to \$196 million from the same period last year, according to Industry and Trade Ministry figures published yesterday. In the first eight months of the year, exports rose to \$2.583b. from \$2.539 billion during the same period last year. *David Harris*

Kohl, Chirac reaffirm support for EU single currency: German Chancellor Helmut Kohl and French President Jacques Chirac yesterday reaffirmed their joint support for a EU single currency as planned in 1999 and said the EU's farmers needed help now. The two men, meeting at Kohl's bungalow next to the Bonn chancellery, said there was no reason to consider wavering from the Maastricht Treaty's strict criteria despite what the German leader called some "light and shadows" in their economies. *Reuter*

Provident funds' August yields estimated at 0%

Half of mutual funds show positive yields last month

GALIT LIPKIS BECK

THE large provident funds, whose monthly yields will be published next week, are expected to announce average returns of zero percent for August, but the banking sector is divided as to whether these yields will be nominal or real.

If the funds publish positive real yields, August will have been the first month since April in which they do not register negative returns. The real yield in August is calculated according to the known index, which was 0.3%.

Meanwhile, investment firm Meitav reported that nearly half the mutual funds achieved positive real yields in August, reflecting the financial markets' accelerated trading recently. Fund managers, who expressed hopes that improved yields would stem the redemption trend which dominated the markets since

January 1995, said returns improved toward the end of the month thanks to the stock market's improved performance. The provident funds have recently registered heavy redemptions of about NIS3 billion per month, partly as a result of the negative yields posted by the funds since May. Provident fund redemptions for September amounted to a record high of NIS4b. The provident funds transferred some of the money to savers yesterday, while the remainder will be transferred today. Several weeks ago the commercial banks appealed to customers who had placed sell orders for September to reconsider. As for the mutual funds, Meitav said that 140 of the 308 funds which invested in the capital market

last month achieved a real positive yield of more than 0.6%, the forecasted rise in the Consumer Price Index. Meitav's mutual fund index rose 0.7%. The increase was mainly due to the recovery of the share and bond markets during the last few days of the month. The best performing were the share funds, while the worst was Ram 90, which reported a yield of 7.4%. Other poor performers were Maritme Grishia, with a negative return of 6.9%, and Adif Pekan with a negative yield of 6.8%.

This year only 27 of the 302 funds which invested in the capital market achieved real yields. Meitav said the funds suffered from the drop in the share market during the reported period and the fact that most of the investment channels did not keep up with the rise in the Consumer Price Index.

Bidders shun Leumi request to up Africa Israel ante

GALIT LIPKIS BECK

CONTENDERS for the purchase of Bank Leumi's shares in Africa Israel have not yet raised their bids, despite the bank's request to raise their price offers, a source close to the negotiations said yesterday. Bank Leumi asked the four contenders to improve their bids last week, but so far they have had no response. The bids, which were tendered several weeks ago, were lower than the bank expected to get for its holding. They were also lower than that of the Generali company, which has offered to purchase 40 percent of Africa Israel's subsidiary company, Leumi Insurance Holdings (Migdal), at a value of NIS3 billion. According to reports, the bank was expecting bids of over NIS900m. It is reported that the highest bid of the Wertheimer-

Zisser group, which recently decided to withdraw from the tender, was no more than NIS750m. The remaining contenders include a consortium made up of businessman Bernard Schreier and the Mousayeff family, the Sheldon Adelson group, the Yitzhak Tshuva consortium and Lev Leviv. If the bids are not raised, Bank Leumi is expected to sell Migdal to Generali and at a later stage hold another tender for the sale of Africa Israel without Migdal. At the end of last week Bank Leumi managed to increase its holding in Africa Israel to 65%, as part of its power struggle for Africa Israel. In order to sell Migdal to Generali, it is first necessary to spin off the insurance firm from Africa Israel. This is a measure which must be approved by Africa Israel's general share-

holders, who have a meeting scheduled for September 19. Bank Leumi must receive at least 75% of the vote to go ahead with the spin-off. Capital market analysts said it is likely that Leumi will be able to achieve a majority Migdal vote, assuming not all shareholders will be present at the meeting. They expressed doubts that the Wertheimer-Zisser consortium will be able to block the bank, despite their recent purchase of 13% of Africa Israel's shares. The shares were purchased during the last two weeks in an attempt to prevent the proposed spin-off. In the meantime, Bank Leumi has rejected the Wertheimer-Zisser consortium proposal to purchase their 13% holding in Africa Israel. Sources close to the bank said the proposal, which was made toward the end of last week was "not serious."

Dankner: Hapoalim Inv. deal with Dovrat-Shrem possible

GALIT LIPKIS BECK

THE Dankner Group has not ruled out the possibility of selling its stake in Hapoalim Investments to the Dovrat-Shrem group, Dankner Group chairman Shmuel Dankner implied yesterday in response to reports that the group he heads plans to maintain its stake in the Hapoalim Investment, despite its failure Thursday to win an additional 23% of its shares. The Dankner Group purchased that stake several weeks ago for about NIS70 million in an attempt to increase its chances of purchasing that portion of Bank Hapoalim's "surplus," non-financial holdings.

However, the Dovrat-Shrem investor group emerged as the surprise winner in the Hapoalim Investment tender, after it offered a bid which was reportedly some \$25m. higher than Dankner's. Dankner said he would rather not discuss with the media what his group intends to do next with its Hapoalim Investments stake and denied having contributed to press reports which said the group would not sell its stake to Dovrat-Shrem. Dovrat-Shrem's bid of NIS197.8m. assumed a total company value for Hapoalim Investments of some \$277m., which is nearly twice as high as Hapoalim Investment's market value on the Tel Aviv Stock Exchange.

IEC, Bezeq semi-annual profits up

COMPANY RESULTS
DAVID HARRIS and JUDY SIEGEL

THE Israel Electric Corporation's net profits in the first half of the year jumped to NIS289.9 million from NIS165.2m. in the first half last year, the company reported. The company said this sharp rise was mainly due to the relative strength of the shekel in the first quarter of 1996. Total sales in the first half stood at 13.7 megawatts per hour, a 7.4% increase. The gross average price of electricity to consumers was 24.4 agorot per megawatt hour, a real decrease of 3.65%.

IEC profits were down NIS36.6m. to NIS56.5m. in the second quarter from the same period last year. Electricity bills were 5.49 percent lower in real terms, in relation to April to June last year, according to IEC. This led to a reduction in income of some NIS90m. Sales

totalled 6.6 billion kilowatts per hour, a 5.26% increase on the same period last year. Fuel expenditure stood at NIS543m., down NIS31m. The company said this was mainly because of increased dependency on coal. "The real-term reduction in consumers' electricity bills, and the appreciable growth in infrastructure investments for developing the electricity market, necessitate continuing the process of streamlining IEC, and the raising of external capital," said IEC chairman Gad Yaacobi. "I hope the government authorities and all the agencies will understand this and lend a hand." Total investments in the first half

were NIS1.5b., most of which came in production (NIS335m.), transmission (NIS425m.), distribution (NIS551m.), and computerization (NIS60m.). The majority of this money was borrowed from both Israeli and a consortium of foreign banks. BEZEQ has reported a 10.4% increase in first-half net profit to NIS302m from the same period last year. Revenues grew 4.78% to NIS3.89b. Bezeq chairman Gurion Meltzer and director-general Yitzhak Kaul said a significant share of the growth was due to the expanded use of cellular phones, as well as increased sales of peripheral equipment and of overseas dialing. The company continued to invest in infrastructure - NIS1.635b. during the first six months, a 43% increase over the first six months last year. Profits per share went up to 41 agorot from 38 agorot during the corresponding period last year.

Bar seizes Tempo

Jerusalem Post Staff

THE battle for control of Tempo Beer Industries ended Thursday, after chairman Jack Bar bought an additional 4.5 percent of the firm's shares for \$14 million. The Bar group - which consists of Tempo founder Moshe Bornstein's heirs - thus increased its share in the company to 51%.

The shares were purchased at prices 25%-57% higher than those on the Tel Aviv Stock Exchange. The latest chapter in the battle for the control of Tempo started Wednesday after Nevioy controlling shareholder Ron Podhorzer took advantage of Tempo's relatively low share price to acquire 20% of its shares for NIS40m. Podhorzer's purchase pushed up Tempo's share price, forcing Bornstein's heirs to buy additional shares at a price double that paid by Podhorzer.

A NEW FUTURE IN FUTURES

CommStock Trading Ltd. is very pleased to announce its affiliation with the American Futures Group, Inc., one of the largest retail futures brokerage firms in the United States.

As the exclusive Israeli representative of the American Futures Group, CommStock will provide its clients with access to AFG's outstanding research and recommendations as well as its trading facilities.

If now is the right time for you to consider investing in futures, CommStock is the right place for the best professional, personal service.

For further information, please call Michael Zwebner at (02) 624-4963.

COMMSTOCK

EVERYTHING YOU NEED TO SUCCEED

CommStock Trading Ltd. (Est. 1981)
Futures, Options, and Stock Brokers
Jerusalem: City Tower, 34 Ben Yehuda St.
Tel. 02-624-4963; Fax: 02-625-9515
Ramat Gan: Beit Silver, 7 Abba Hillel St.
Tel. 03-575-8826/27; Fax: 03-575-6990

E-mail: commstock@pobox.com http://www.commstock.co.il

PRIME MUTUAL FUND FOR Foreign Residents	תמ"מ מט"מ מזכ"ר
Date: 29.8.96	
Purchase Price: 110.38	
Redemption Price: 108.92	

TARGET MUTUAL FUND FOR Foreign Residents	מט"מ מזכ"ר
Date: 29.8.96	
Purchase Price: 150.22	
Redemption Price: 147.99	

For current information on securities in Israel and the U.S., including high-yielding U.S. government-backed debentures, call:

M.H. MEYERSON & CO., INC. *Founded 1967*
A Publicly Traded Company
NASDAQ Symbol: MHMY
Brokers of Dealers in Securities
Incorporated
30 Montgomery Street
Jersey City, New Jersey 07302, USA

Corporate & Institutional Inquiries:
Jeffrey E. Meyerson, V.P.
International Trading Division
1-201-332-3613
Fax: 1-201-332-1265

Retail Customer Inquiries:
Eric J. Logan, V.P.
National Sales Division
1-201-332-4801 - 1-800-488-8118
Fax: 1-201-332-1008

Our specialty trained sales personnel will be available to discuss your investment needs.

BEZEQ, The Israel Telecommunications Corp. Ltd.

Bezeq invites bids for the supply of the following goods:
Tender No. 65/96/036/0
Black/White Laser Printers, Framework Agreement

A. Option for additional annual purchase of up to 100 per cent of the amount specified in the tender documents.
B. The following general conditions apply:

- Pre-conditions:
 - Parties submitting bids must comply with all laws, including the requirement to keep account books, be an authorized trader, hold valid licenses to trade, and comply with all relevant standard specifications.
 - Willingness to provide a guarantee, as explained in the tender documents.
 - Compliance with the "minimum" conditions, given in the tender documents. (One of the minimum conditions is the connection of a coaxial cable directly to control 3270 and translation CAPS/PCCL.)
- The tender documents can be obtained from the Tenders and Ordering Department of the Purchasing Division, 15 Rehov Hazvi, Jerusalem (P.O. Box 909) Tel. 02-5395614/5, between 9 a.m. and 12 noon, Sunday to Thursday. The tender documents will be provided on submitting a receipt of payment for NIS 1,000.
 - In Israel, payment should be made into Bezeq's Postal Bank account no. 5-311757.
 - Overseas suppliers should make payment into Bezeq's account no. 12-901-97633/64, at the Jerusalem main branch of Bank Leumi Leisrael.

The fee for the tender documents is non-refundable. The receipt, with details of your company and authorized trader's number, may be faxed to 972-2-378113. Please phone afterwards (phone numbers as above), to obtain confirmation of receipt of the fax.

- Bids should be placed in the tenders box at 15 Rehov Hazvi, Jerusalem, not later than October 15, 1996, at 8 p.m.
- No undertaking is given to accept the lowest or any bid, or to order the entire work from one source.

Bids sent by fax or telegram will not be considered.

ISRAEL MONEY MARKETS

Patah (foreign currency deposit rates) (29.7.96)

Currency (deposit for)	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar (\$250,000)	4.750	4.750	4.125
Pound sterling (£100,000)	3.675	4.675	4.890
German mark (DM 200,000)	1.750	1.875	2.250
Swiss franc (SF 200,000)	1.000	1.125	1.500
Yen (10 million yen)			

(Rates vary higher or lower than indicated according to deposit)

Shekel Foreign Exchange Rates* (30.8.96)

CHECKS AND TRANSFERS	BUY		SELL		Rep. Rate**
	Buy	Sell	Buy	Sell	
Currency basket	3.5024	3.5589	3.5584	3.5584	
U.S. dollar	3.1089	3.1591	3.05	3.21	3.1420
German mark	2.1014	2.1353	2.08	2.17	2.1290
Pound sterling	4.8417	4.9188	4.75	4.99	4.8990
French franc	0.6136	0.6225	0.60	0.64	0.6198
Japanese yen (100)	2.8654	2.9117	2.81	2.95	2.8870
Dutch florin	1.8742	1.9145	1.84	1.94	1.8898
Swiss franc	2.5913	2.6331	2.54	2.67	2.6201
Swedish krona	0.4700	0.4778	0.46	0.48	0.4750
Norwegian krona	0.4848	0.4927	0.47	0.50	0.4900
Danish krone	0.5437	0.5525	0.53	0.57	0.5492
Finnish mark	0.6851	0.7074	0.68	0.72	0.7038
Canadian dollar	2.2738	2.3103	2.23	2.35	2.2985
Australian dollar	2.4559	2.4956	2.41	2.54	2.4814
S. African rand	0.6824	0.7038	0.62	0.71	0.6991
Belgian franc (10)	1.0202	1.0367	1.00	1.08	1.0309
Austrian schilling (10)	2.9860	3.0342	2.93	3.08	3.0172
Italian lira (1,000)	2.0547	2.0879	2.01	2.12	2.0765
Jordanian dinar	4.5290	4.6200	4.32	4.62	4.4816
Egyptian pound	0.8800	0.8900	0.88	0.90	0.8862
ECU	3.9553	4.0191			3.9948
Irish punt	5.0368	5.1181	4.95	5.19	5.0833
Spanish peseta (100)	2.4835	2.5238	2.44	2.56	2.4946

*These rates vary according to bank. **Bank of Israel.
SOURCE: BANK LEUMI

Israel Pecan Plantations Ltd.

The Shareholders Annual General Meeting will be held on Tuesday, September 17, 1996, at 4 p.m., in the Moshav Timorim offices.

(Signed) Y. Asherovitz
Managing Director
Board of Directors

comes a sign that is almost too portentous to ignore... a few nights ago, an enormous flight of black... num coal cars gleaming in the last of the night... regular mail to...

envoy unlikely to change EU minds on Cuba

\$10.5b. earthquake authority clears California Senate

SACRAMENTO, Calif. (Reuter) - California's Senate over the week-end approved landmark legislation to create a \$10.5 billion agency to sell earthquake insurance to homeowners...

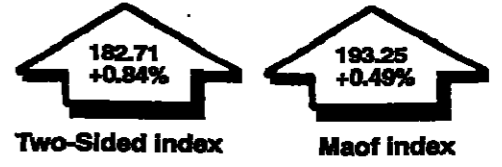
The authority will be a privately financed, publicly managed state agency that will provide insurance coverage for earthquake damage to residential property owners...

The earthquake authority was proposed as part of a plan to help solve the state's homeowners insurance crisis. Because state law requires insurers to offer earthquake coverage with every homeowners policy...

state insurance commissioner Chuck Quackenbush said. The \$10.5b. CEA will be funded with premiums paid by those who purchase earthquake coverage...

Central bank support for bonds, shekel boosts shares

TEL AVIV STOCK MARKET FELICE MARANZ



STOCKS rose for a fourth straight session yesterday, boosted by confidence that the Bank of Israel would support the bond market and the shekel.

The central bank successfully implemented its "safety net" for bond prices throughout August, said Eli Nahum, head of the sales at Tel Aviv investment firm Zannex Securities Ltd.

The safety net soothed investors in both the bond market and in Israel's provident funds, partially tax-exempt savings plans which buy bonds and shares, he said.

tronics systems for aerospace and defense industries, said it was in talks to sell a stake in its subsidiary Inframatics Inc. for \$30 million to Boston-based Advent International Corp.

Inframatics' technology uses video cameras for industrial and laboratory monitoring. The company also produces night-vision systems for border and military surveillance and the prevention of drug and arms smuggling.

Other gaining Maof Index-listed shares included Bezeq Ltd., which increased 1.5%. After the Tel Aviv Stock Exchange closed on Thursday, Israel's state-owned telephone company said second-quarter net income rose a better-than-expected 26% as profits from mobile phone services rose.

Copper hits 11-week high

CHICAGO (Reuter) - Copper prices jumped to their highest level in 11 weeks Friday, boosted by a mine workers' strike in Chile and a strike-related smelter outage in Namibia.

Crude oil prices edged higher but cotton, gold and wheat prices fell, and the Commodity Research Bureau Index of 17 commodities lost 0.20 points to 249.46.

Dealers said copper's rise was fueled by aggressive buying by traders squaring their books ahead of the long holiday weekend and growing concern about the supply disruptions.

Workers at the Salvador copper mine in Chile went on strike Friday, demanding wage increases and other benefits. Chile is the world's largest copper producer.

In Namibia, Gold Fields Namibia Ltd. said the copper smelter at its subsidiary Tsumeb Corp. could be closed for six weeks or longer through damage caused by striking workers.

"The market is going to remain very tight through the middle of September at the very least," said Dean Witter's Mike Frawley, adding there had also been strong demand in the Far East.

Copper for December delivery rose 4.55 cents to 95.25 cents a pound at New York's Commodity Exchange after hitting 95.78 cents during the session. That was the highest since the December contract touched 98.80 cents on June 13.

Cotton closed lower as speculators opted to sell ahead of the long weekend as the threat that hurricanes could hit key growing areas receded.

VW, EU in showdown over subsidies

FRANKFURT (Reuter) - Volkswagen AG and the German state of Saxony moved closer to a showdown with the European Union over planned industrial subsidies over the weekend, as the EU's competition commissioner warned legal action was imminent.

At issue are DM91 million of subsidies that the state of Saxony has granted Volkswagen to build two plants - a grant which exceeds DM540 million worth of subsidies that the EU approved in June.

Karl Van Miert, the EU's competition czar, told the daily Hannoverischer Allgemeine Zeitung he would take the German pair before the European Court of Justice if they did not agree to the EU's decision by Wednesday.

And European Union President Jacques Santer said the pair must "return to legality." However, he hinted that a compromise was possible to avert a legal battle between the EU and Europe's largest economy.

Volkswagen and Saxony claim the extra aid is allowed under Treaty of Rome rules on German unification, but the EU claims the grant will tilt the playing field of European car makers in Volkswagen's favor.

Although both sides are sticking to their guns, the EU officials said they hoped to avert a costly legal battle.

"We want an amicable agreement," Santer told the magazine Der Spiegel. "A confrontation is not in the interest of either party."

The EU's competition commissioner also offered an olive branch. "We can do without a temporary order if Saxony's breach of the law is neutralized," Van Miert said in the interview, suggesting that funds provided so far be frozen.

But Volkswagen, which has threatened to take its investment elsewhere, has refused to back down. Chairman Ferdinand Piech said, "We believe that the decision by the premier of Saxony to grant subsidies to Volkswagen is a decision for the people and for jobs in Saxony."

Van Miert said talks between the federal German government and the EU to break the impasse are continuing, adding it was a good sign that the federal government has not filed a counter complaint against the EU as Saxony has done.

German Economics Minister Guenter Rexrodt has, however, indicated he stands behind VW and Saxony, saying the car maker deserves the full allotment of subsidies.

Saxony and the European Commission locked horns in June when the Commission approved only DM540m. of a proposed DM780m. in subsidies for VW to build two plants in the formerly communist east German state of Saxony.

Rafsanjani visits Africa to counter sanctions

TEHRAN (Reuter) - Iranian President Akbar Hashemi Rafsanjani begins a tour of six African states today to boost economic ties in the face of a US campaign to isolate the Islamic republic.

Rafsanjani will visit Kenya, Uganda, South Africa, Zimbabwe, Tanzania and Sudan over a period of up to 12 days, a spokesman at the president's office said.

The tour comes less than a month after US President Bill Clinton tightened sanctions against Iran by signing a law which penalizes non-US firms that invest \$40 million or more a year in the oil and gas sectors of Iran or Libya.

Tehran intensified its diplomatic activity to woo developing countries by stressing solidarity against the West and offering economic cooperation deals after Washington, which accuses Iran of sponsoring terrorism, imposed trade sanctions in June 1995.

Iran rejects the US charges and says Washington wants to topple its Islamic government for opposing US hegemony. Africa has figured prominently in Iran's diplomatic drive, with frequent contacts and visits to about 10 African states by senior Iranian delegations in the past month.

"Africa has strategic importance for Iran," Iranian Deputy Foreign Minister Hossein Sheikholeslam said during a recent visit to

Uganda. "African states have backed Iran on many international issues because they can understand us better than others," said Sheikholeslam, who also visited Kenya and Sudan.

Tehran has doubled the number of its embassies in Africa to about 23 since its 1979 Islamic revolution and Iranian state radio has launched daily broadcasts in Hausa and Swahili.

Rafsanjani will start his tour in Kenya. He will also visit South Africa, which buys up to 65 percent of its oil imports, or about 250,000 barrels per day, from Iran.

Tehran signed a deal with Pretoria last year to store 20 million barrels of its oil in a facility on South Africa's west coast. The project, which has drawn US objections, has been delayed by an environmental impact study but South African officials say they have no political problems with the accord.

Iran's Oil Minister Gholamreza Aghazadeh last year offered to undercut Western companies on oil projects in African states. Iran had cooperation ties with South Africa, Kenya, Morocco, Sudan, Tanzania, Libya, Madagascar and Senegal, he said.

Iran is also eyeing African countries for its non-oil exports. It has signed trade deals with several of them and exhibited Iranian products in Kenya and South Africa.

Table of Tel Aviv Stocks with columns for Multi-sided trading and Two-sided trading, listing various stocks and their prices.

Dole: Continue ban on Iraqi oil sales

WASHINGTON (Reuter) - Republican presidential candidate Bob Dole called over the weekend for the ban on Iraqi oil sales to continue given Iraq for UN-approved inspections of its nuclear facilities.

These developments, he said, "reinforce my belief that the move to relax sanctions on the sale of Iraqi oil was premature and ill-advised and should not be implemented," he said.

In a statement issued by his campaign, Dole said Iraqi President Saddam Hussein was using the fighting among Kurdish factions only as a pretext for intervention in northern Iraq.

White House spokesman Mike McCurry rejected Dole's criticism, telling reporters, "We would strongly dispute the notion that the action was ill-advised. These were tightly structured sales for humanitarian relief."

UN Security Council resolution 986, yet to be implemented, would allow Iraq to sell \$2 billion of oil over six months to buy food and medicine for its population.

US envoy unlikely to change EU minds on Cuba

BRUSSELS (Reuter) - A special US envoy given the task of selling Washington's anti-Cuba legislation to the rest of the world faces stiff resistance when he meets EU officials in Brussels this week.

European Union officials said Stuart Eizenstat was unlikely to win any support from a 15-nation bloc already pondering counter-measures.

Eizenstat, appointed by US President Bill Clinton last month, is due to meet EU Trade Commissioner Sir Leon Brittan tomorrow on the first leg of a round-the-world swing aimed at explaining Washington's controversial Helms-Burton Act.

He will also meet European Commissioners Manuel Marin and Emma Bonino - responsible for Latin American affairs and the EU's humanitarian affairs office respectively - suggesting the bloc's executive is treating his visit seriously.

"We are looking forward to the meeting, to hear what he has to say, but I don't see how anything can change," said one European Union official.

ISRAEL DISCOUNT BANK advertisement with logo and slogan 'THE PEOPLE YOU CAN BANK ON'.

Israel posts shocking 2-1 win over Bulgaria

DEREK FATTAL

ISRAEL'S national soccer team put on one of its best-ever displays last night, transforming agony into ecstasy at the National Stadium in Ramat Gan in the opening Group 5 World Cup qualifier against Bulgaria to emerge 2-1 victors, after falling a goal behind within 120 seconds.

The victory endorses the tactical judgment of coach Shlomo Scharf who risked all by playing an attacking line-up despite the absence of his team's key defender, Gadi Bruner, and relied on the untried partnership of Amir Shelah and Arif Bennardo in central defense against the powerful Bulgarians, who finished fourth at USA '94.

After the pulsating match, Scharf related how he had fooled his Bulgarian counterpart Hristo Benov by playing two outright attackers, instead of the single spearhead in the makeshift side that had lost in last month's disastrous preparatory game against Romania.

"The Bulgarians came here expecting an easy game, and paid the price," said Scharf. Although the Israelis had the benefit of three close calls by the match officials, the result was justified as the Israelis forced themselves back into the game through a mixture of fiery passion and pure football. The result is a significant dent for the Bulgarians, who clearly rated Russia as their main obstacle to finishing first in European qualifying Group 5 from which only the winner automatically proceeds to the finals in France in two years' time.

The Bulgarians could live to regret the absence of their star player, Hristo Stioichkov, who snubbed the Bulgarian football association and Boney by playing in Barcelona colors on the same night as his compatriots fell to defeat. For the Israelis, this victory against one of the continent's top international outfits will forge a renewed spirit of confidence in the long campaign ahead, after the recent blows suffered by local club sides in European competition. For the somewhat disappointing crowd of around 25,000, the match was an emotional rollercoaster. After just two minutes' play, the spectators on the terraces were shaking their heads in disbelief after goalkeeper Rafi Cohen committed an irrational act, flung himself at Emil Kostadinov on the edge of the area, after a pass from



FIGHTING FOR GROUND - Bulgarian player Krassimir Balakov tries to get by Tal Banin during yesterday's World Cup qualifier.

in Barcelona colors on the same night as his compatriots fell to defeat. For the Israelis, this victory against one of the continent's top international outfits will forge a renewed spirit of confidence in the long campaign ahead, after the recent blows suffered by local club sides in European competition. For the somewhat disappointing crowd of around 25,000, the match was an emotional rollercoaster. After just two minutes' play, the spectators on the terraces were shaking their heads in disbelief after goalkeeper Rafi Cohen committed an irrational act, flung himself at Emil Kostadinov on the edge of the area, after a pass from

Krassimir Balakov beat a poorly executed offside trap. Balakov slammed the ball from the spot mark into the top left-hand side of the net and sent Cohen the wrong way. Despite his personal agony, at least Cohen could draw some comfort from not being shown a red card by Italian referee Alfredo Terralange. The next 25 minutes brought a period of sustained dominance by the Israelis as the Bulgarians sat on their lead. Intelligent passing and blue-shirted hosts to create several scoring chances, with Haim Revivo in particular displaying potent skill as he took on the Bulgarian defense. The Israelis came closest

in the 25th minute when a high cross over the area from Felix Halfon on the right landed in front of Revivo. The Celta Vigo player fired his shot true from six meters out but somehow Borislav Mihailov in the Bulgarian goal managed to wrestle the ball clear with his legs. A minute later, defender Radoslin Kischischev managed to block a shot by Romy Rosenthal from a similar position, and the referee ignored Israeli appeals for a penalty. The Bulgarians then finally swept forward but Cohen was equal to attempts by Kostadinov and then Jordan Letchkov. The first magic moment for the home fans came in the 35th minute, when Tal Banin,

captaining the side in the absence of Nir Klinger from the starting line-up, guided the ball over the Bulgarian backline to find Roman Harazi completely free. The Betar Jerusalem forward demonstrated why he is the country's most complete striker, meeting the ball with a shot that left the exposed Mihailov helplessly grappling daylight and put the Israelis on equal terms. Both sides registered further attempts on goal before the end of the half, with Kostadinov, then Georgui Donkov, the most dangerous. The Israelis opened the second period with all pistons firing, as Rosenthal made a breathtaking surge down left wing, sending the Bulgarian defense into a panic. The move ended with a measured cross to Revivo, whose shot bobbed onto ground allowing Mihailov to finger the shot clear.

Sensing the danger, the visitors took to the offense and pressed towards Cohen's area. By the hour mark, Scharf's men were back on top, with Alon Hazan and Avi Nimini finally beginning to win the battle in midfield. In the 62nd minute Banin cheekily lobbed the ball over a tacking defender to find Halfon in the box. Halfon, battling two players before being crashed to the goal by center half Peter Hutchev, with referee Trenalange in close enough attendance to have no hesitation in pointing to the spot. Banin took the ball and duplicated Balakov's earlier act firing in to the same side of goal for Israel's winner. The atmosphere was electric as the Bulgarians sought to retrieve the game, but to no avail. The Israelis tore forward twice on the break and only luck saved the Bulgarians, as Trifon Ivanov cleared off the line from Rosenthal,

and then a quicksilver turn and shot by Revivo required a world class save from Mihailov. To stem the tide, Scharf brought on Klinger for Harazi, then Eyal Berkowitz in place of Rosenthal as the Israelis began to toy with the Bulgarians. The joy on the terraces almost turned sour when Kostadinov finally found the net seven minutes from the end with a coolly flicked header, but the goal was adjudged offside by the linesman and referee. With the crowd baying wildly for the final whistle, Cohen almost repeated his earlier error with a sliding attempt to dispossess a Bulgarian attacker, but the somewhat desperate penalty appeals were declined. The final whistle blew three minutes into injury time and the crowd at last relieved from its tension broke into cheers.

The squad continues its fight for a place at the World Cup finals on October 9 at Ramat Gan against Russia. Denmark beat Slovenia 2-0 in a Group 1 qualifier. Scores: Allen Nielsen (78th min), Soeren Andersen (88th).

Greece beat Bosnia 3-0 (2-0) in a Group 2 qualifier. Scores: Nick Barmby (24th minute), Paul Gascoigne (25th), Alan Shearer (61st).

Hungary beat Finland 1-0 (1-0) in a Group 3 qualifier. Score: Ferenc Orsz (16th minute).

Sweden beat Latvia 2-1 (2-0) in a Group 4 qualifier. Scores: Larva - Vias Fimkus (58th minute), Sweden - Martin Dahlin (16th), Kennet Andersson (21st).

3,000 meter record smashed

RIETTI, Italy (Reuter) - Daniel Komen, who has twice been within a fraction of a second of Nouredine Morceli's world 3,000 meter record, shattered the mark by nearly five seconds yesterday.

The 20-year-old Kenyan clocked seven minutes 20.67 seconds for the non-championship event at an international meeting to break the Algerian's two-year-old mark of 7:25.11.

Kenyan David Kisang took the field through 1,000 meters in 2:25.89 before Komen took the lead, clocking 4:53.18 at the 2,000 mark and carrying on to finish more than 20 seconds ahead of his nearest rival.

Kenya's Shem Kororia, was second in 7:43.17.

SCOREBOARD

CRICKET - Results of English Sunday League matches

At Taunton: Walsley Nottinghamshire beat Kent by 7 wickets. Kent 99 (C. Cairns 4-26), Nottinghamshire 183.

At Headingley: Yorkshire beat Essex by 6 wickets. Essex 108 (C. White 4-21), Yorkshire 109-4.

At Portsmouth: Middlesex beat Hampshire by 7 wickets. Hampshire 184-9 innings closed (S. Udal 54), Middlesex 185-3 (M. Gatting 55 not out, M. Ramprakash 54 not out).

At Chester-le-Street: Glamorgan beat Durham due to a higher run rate. Durham 173-7 innings closed, Glamorgan 112-2.

At Clasterfield: Derbyshire beat Worcestershire by 6 wickets. Worcestershire 158, Derbyshire 179-4 (K. Barnett 51).

At Leicester: Somerset beat Leicestershire by 7 wickets. Leicestershire 194-8 innings closed (D. Maddy 57), Somerset 195-3 (P. Bowler 76, M. Lathwell 63).

At Bristol: Northamptonshire beat Gloucestershire by 5 wickets. Gloucestershire 175-9 innings closed, Northamptonshire 179-5.

At The Oval (London): Surrey beat Warwickshire by two wickets. Warwickshire 185 (D. Brown 66), Surrey 186-8 off 36.4 overs.

At Hove: Lancashire beat Sussex by 4 wickets. Sussex 284-8 innings closed, Lancashire 207-6 (N. Fairbrother 93).

ENGLISH SOCCER:

QPR 1, Bolton 2

EARLY NFL RESULTS YESTERDAY:
Indianapolis 20, Arizona 13
Carolina 20, Atlanta 6
St. Louis 26, Cincinnati 16
Minnesota 17, Detroit 13
Kansas City 20, Houston 19
Baltimore 19, Oakland 14
Philadelphia 17, Washington 14
Jacksonville 24, Pittsburgh 9

EARLY AL RESULTS YESTERDAY:
Chicago 4, Toronto 2
Kansas City 3, Detroit 2

SATURDAY'S AL RESULTS:
Kansas City 3, Detroit 1
Chicago 5, Toronto 1
Baltimore 7, Seattle 6
Milwaukee 3, Minnesota 2
Texas 6, Cleveland 3
Oakland 8, Boston 0
New York 14, California 3

EARLY NL RESULTS YESTERDAY:
Florida 6, Cincinnati 1
Pittsburgh 9, Houston 5
Montreal 7, San Diego 5

SATURDAY'S NL RESULTS:
Chicago 12, Atlanta 0
Houston 5, Pittsburgh 4
New York 7, San Francisco 2
Los Angeles 11, Philadelphia 7
Montreal 4, San Diego 2
Cincinnati 22, Florida 8
St. Louis 2, Colorado 1

Israeli volleyball squad remains winless

HEATHER CHAIT

ISRAEL'S top volleyball team lost their fourth consecutive match yesterday in the European Youth Volleyball Championships being played in Israel.

Ukraine beat the host team 3-0 with scores of 15-2, 15-6, 15-8.

Israel has yet to win a game in the preliminary rounds of the tournament with one game remaining today, against Yugoslavia.

In other results yesterday Poland beat Finland 3-0 and France beat Belarus 3-2 in Pool 1 with Russia downing Belgium 3-0 and Yugoslavia dismissing Holland 3-2 in Pool 2.

The final preliminary round matches will be held today with the playoff rounds beginning on Wednesday.

Ederberg rolls along, Seles struggles but survives

NEW YORK (AP) - Stefan Ederberg's trip through his final US Open continued yesterday when he defeated Paul Haarhuis 6-4, 7-6 (7-4), 6-1 and clinched a spot in the fourth round.

Playing his last Grand Slam tournament before retiring, Ederberg played his strongest match of the hardcourt tourney.

"Anything can happen now," said the victorious Swede, making his best showing at the National Tennis Center since he successfully defended his US Open title in 1992.

In the women's draw, fourth-seeded Conchita Martinez became the first player to reach the quarter-final round when she defeated Sweden's Asa Carlsson 6-2, 6-1.

Monica Seles, a finalist last year in her first US Open since she won in 1991 and 1992 prior to her stabbing, struggled a little to reach the quarter-finals with a 7-5, 6-0 victory over Sandrine Testud.

In the only other men's third-round match in early play yesterday, Guy Forget of defeated Dutchman Sjeng Schalken 6-2, 7-5, 4-6, 4-6, 6-0.

Ederberg, at age 30, has announced he will retire after this year. Besides his two US Open titles, he has won Wimbledon twice and the Australian Open twice.

"I felt he was on top of his game," Haarhuis said of Ederberg.

This time, the Dutchman was unable to pull off an upset on the National Tennis Center hardcourts. It was here in 1989 that Haarhuis knocked off fourth-seeded John McEnroe in a second-round match. Two years later, he defeated top-seeded Boris Becker in

Pakistan takes final game of three-match series

NOTTINGHAM (Reuter) - Wicketkeeper Rashid Latif kept his head while wickets tumbled to steer Pakistan to a two-wicket victory over England in the third and final one-day international at Trent Bridge yesterday.

England still won the series 2-1. Rashid calmly square cut Adam Holloake for four from the second ball of the final over then chipped the Surrey all-rounder into vacant territory for the winning run with two balls to spare.

He finished on 31 not out after Holloake had threatened to steal the match for England by taking four quick wickets as Pakistan chased England's 246 all out from their 50 overs.

"I would like to pay tribute to Rashid," said Pakistan captain Wasim Akram. "He played very well."

Holloake took four for 23 from 6.5 overs for England in Saturday's 107-run win at Edgbaston and was on course to repeat his match-winning performance yesterday before Rashid took control.

"He bowled well in two pressure situations," said England captain Mike Atherton. "He dragged us back into the game today."

ENGLAND

N.Knight not out 125
A. Stewart c and b Wasim Akram 3
M. Atherton c Shafiq Nazir b Wasim Akram 30
M. Maynard b Shafiq Nazir 24
G. Lloyd c Shafiq Nazir b Saqlain Mueftic 15
R. J. Ratcliffe b Shafiq Nazir 0
A. Holloake c Ijaz Ahmed b Saqlain Mueftic 13
D. Cough b Wasim Akram 5
S. Croft b Wasim Akram 0
P. Martin run out 6
A. Mullally b Wasim Akram 2
Extras (2-2 b-8 w-9 nb-4) 23
Total (64 overs) 246
Fall of wickets: 1-10 2-108 3-137 4-139 5-178 6-216 7-226 8-231 9-240
Bowling: Wasim Akram 10-1-45-3, Shafiq Nazir 10-1-48-2, Shafiq Nazir 10-0-28-1, Ijaz Ahmed 5-0-27-0, Saqlain Mueftic 10-0-35-2, Amir Sohail 5-0-53-0.

PAKISTAN

Saeed Anwar b Martin 81
Shafiq Nazir lbw b Martin 37
Ijaz Ahmed c Lloyd b Gough 59
Amir Sohail b Croft 29
Shafiq Kabir c Ijaz b Holloake 0
Asif Mujtaba b Holloake 2
Wasim Akram lbw b Holloake 5
Rashid Latif not out 31
Saqlain Mueftic c Maynard b Holloake 12
Wasim Akram not out 0
Extras (b-5 w-6) 11
Total (for 8 wickets, 48.4 overs) 247
Fall of wickets: 1-93 2-114 3-177 4-182 5-187 6-199 7-219 8-240
Did Not Bat: Shafiq Nazir.
Bowling: Gough 10-1-43-1, Mullally 9-0-66-0, Martin 10-0-38-2, Croft 10-0-38-1, Ijaz 2-0-12-0, Holloake 8-4-45-4.
Result: Pakistan won by two wickets.
First match: England won by five wickets.
Second: England by 107 runs.
England won series 2-1.

CLASSIFIEDS

RATES

PRICES ARE AS FOLLOWS - All rates include VAT.
Single Weekday - NIS 117 for 10 words (minimum), each additional word NIS 11.70
FRIDAY AND HOLIDAY EVE - NIS 175.50 for 10 words (minimum), each additional word NIS 17.55
MONDAY, WEDNESDAY AND FRIDAY (package) - NIS 257.40 for 10 words (minimum), each additional word - NIS 25.74
WEEK RATE (6 insertions) - NIS 351.00 for 10 words (minimum), each additional word - NIS 35.10
FOUR FRIDAYS (package) - NIS 444.60 for 10 words (minimum), each additional word - NIS 44.46
MONTHLY (24 insertions) - NIS 702.00 for 10 words (minimum), each additional word - NIS 70.20
Rates are valid until 31.10.96.

DEADLINES OFFICE:

Jerusalem - weekdays: 12 noon the day before publication; for Friday and Sunday: 6 p.m. on Thursday.
Tel Aviv and Haifa - weekdays: 12 noon, 2 days before publication; for Friday and Sunday: 4 p.m. Thursday in Tel Aviv and 12 noon Thursday in Haifa.

DWELLINGS

REHAVIA, 5 (LUXURIOUS): 3. Talbiel, 2-4. Long/short term. REHAVIA REALTY Tel. 02-566-5622.

REHAVIA, NEAR GREAT Synagogue, 5 rooms, Shabbat elevator, parking. Tel. 02-623-1093 (NS).

BEAUTIFUL SPACIOUS 3-ROOM garden apt, with terraces, completely furnished, long term. EVA AVIAD REALTOR. Tel. 02-5618404.

CASPI, 5, HUGE, view, partly furnished, 52,100. Tel. 02-5639597.

KIRYAT WOLFSON, SPACIOUS, villa, terrace, furnished, immediate. KEYS DE FRONT ESTATES. Tel. 02-566-3314, 052-601690.

RAMAT - AVIV GIMMEL, 5, luxurious, long term, Azorei Chan, 4, sea view, YAEL REALTOR(MALDAN). Tel. 03 - 642 - 9253.

REHAVIA-BARTENURA, 4, MACHSAN, parking, elevator, air-conditioners, carpeted, closets, long-term. Tel. 02-9931895.

PENTHOUSE, JEWISH Quarter, 3, balcony, Kotel view. Tel. 050-338443.

VILLA, GIVAT HAIMIVTAH 2 floors, heating, telephone, solar heating, 250 m. Tel. 050-345093.

GERMAN COLONY, 2, quiet, central, 20 sq.m. basement, garden, underground parking, immediate. ISRAELIUD. Tel. 02-566571.

GERMAN COLONY, 3, quiet, central, new building, parking, balconies, immediate. ISRAELIUD. Tel. 02-566-6571.

GREAT OPPORTUNITY, WOLFSON, 5, 11th floor, view of Knesset, storage, parking. \$495,000. ISRAELIUD, Tel. 02-566-6571.

THE JERUSALEM INN at the City Center - Double or large family rooms, priv. bathroom, T.V./Tel., quality furnished. Tel. 02-522-757, Fax 02-251-297.

TEL AVIV, LUXURIOUS, 2, furnished, elevator, access from sea. \$80 per day. Tel. 050-340765.

HOLIDAY RENTALS

FOR TOURISTS, PLEASANT apartment in Tel Aviv or Jerusalem. Best locations, air-conditioning, immediate. Tel. 972-3-999-2070, 972-3-999-8915.

WHERE TO STAY
JERUSALEM LODGES LTD. - Short and long term rentals. Bed and breakfast. P.O. Box 4233, Jerusalem 91044. Tel. 02-611745, Fax: 02-6118541.

NEAR CANON MALHA, 1 room, private entrance, Cable, garden. Tel. 02-679-4820, 052 - 531 - 797.

GERMAN COLONY, 1 bedroom, kosher, available from September 1 - October 10. Tel. 02-573-2922.

DWELLINGS

FOR EMBASSIES - BAVLI, 3 rooms, parking, fully equipped, beautiful, \$850/month. Tel. 03-739-8134.

JAFFA! LUXURIOUS HOUSE, 8 rooms, wide sea view. \$3,500. KAV HAYAM. Tel. 03-523-9988.

PENTHOUSE APARTMENTS & regular apartments, magnificent in Migdal Ozera. Tel. 03-549-8498, 052-536687, Daphna.

RAMAT - AVIV GIMMEL, 5, luxurious, long term, Azorei Chan, 4, sea view, YAEL REALTOR(MALDAN). Tel. 03 - 642 - 9253.

NEAR THE SEA, 4 rooms, 128 sq.m., excellent location. Tel. 03-604-4094.

AGAMI! LUXURIOUS GARDEN duplex, private garden, basement, parking. \$420,000. KAV HAYAM. Tel. 03-523-9988.

GREAT INVESTMENT! 3 rooms Balcony, elevator, parking. \$238,000. KAV HAYAM. Tel. 03-523-9988.

NORTH AFEKA, LUXURIOUS, villa, 250 m./500m., beautiful garden. \$1,500,000. Tel. 03-642-9012.

HERZLIYA PITUAH, HOUSE, beautiful interior design, furnished, 3 BR + office. Tel. 09-599-793.

HERZLIYA PITUAH, FOR rent, 4 bedroom cottage with swimming pool, long lease, immediate entry. TO MORAN REAL ESTATE. Tel. 09 - 572769.

SALES

EXCLUSIVE PROJECT in Herzliya, garden apartment. Designed by architect Carmel. Tel. 09-583-144.

NETANYA, SHLOMO HAMELECH, 4 rooms, sea view, kitchen, parking, immediate. Tel. 09-819391 (shar 4 p.m.).

DWELLINGS

RENALS
JAFFA! LUXURIOUS HOUSE, 8 rooms, wide sea view. \$3,500. KAV HAYAM. Tel. 03-523-9988.

PENTHOUSE APARTMENTS & regular apartments, magnificent in Migdal Ozera. Tel. 03-549-8498, 052-536687, Daphna.

RAMAT - AVIV GIMMEL, 5, luxurious, long term, Azorei Chan, 4, sea view, YAEL REALTOR(MALDAN). Tel. 03 - 642 - 9253.

NEAR THE SEA, 4 rooms, 128 sq.m., excellent location. Tel. 03-604-4094.

AGAMI! LUXURIOUS GARDEN duplex, private garden, basement, parking. \$420,000. KAV HAYAM. Tel. 03-523-9988.

GREAT INVESTMENT! 3 rooms Balcony, elevator, parking. \$238,000. KAV HAYAM. Tel. 03-523-9988.

NORTH AFEKA, LUXURIOUS, villa, 250 m./500m., beautiful garden. \$1,500,000. Tel. 03-642-9012.

HERZLIYA PITUAH, HOUSE, beautiful interior design, furnished, 3 BR + office. Tel. 09-599-793.

HERZLIYA PITUAH, FOR rent, 4 bedroom cottage with swimming pool, long lease, immediate entry. TO MORAN REAL ESTATE. Tel. 09 - 572769.

SALES

EXCLUSIVE PROJECT in Herzliya, garden apartment. Designed by architect Carmel. Tel. 09-583-144.

NETANYA, SHLOMO HAMELECH, 4 rooms, sea view, kitchen, parking, immediate. Tel. 09-819391 (shar 4 p.m.).

TO LET, 3 STORY building,

YAVRIV, for any purpose, TIVUCH HA...
SERVICES
JERUSALEM
GENERAL
COMPLETE INTERNET SET-UP, Internet Productions offer a wide range of services. Tel. (02) 567-0688
SITUATIONS VACANT
GENERAL
SERIOUS PEOPLE FOR international... easy to run business opportunity. Mr. Chan. Tel. 09-664786.
SITUATIONS VACANT
JERUSALEM
DENTAL STAFF
INTERESTED IN DENTAL director + specialization, preferable pedodontist, morning hours. Tel. 02-561-0784.
GENERAL
INCOMING TOUR OPERATOR... experience necessary. Tel. 02-5000937.
HOUSEHOLD HELP
IMMEDIATE, STRONG MAN, non-smoker. Stroke patient permit available. Tel. 02-993-1746(NS).
OFFICE STAFF
IMMEDIATE, IN BANK, telex/swift operator, English, permanent. Tel. 03-516-4933.
SITUATIONS VACANT
TEL AVIV
GENERAL
CROATIAN, ENGLISH, KOREAN and Scandinavian speakers wanted. Call Elizabeth. Tel. 03-552-2422.
HOUSEHOLD HELP
FORGET THE REST!! We are the best!! The biggest and oldest agency in Israel. For the highest quality live-in job phone AU Pair International. 03-6190423.

AU PAIR, LIVE-IN, good conditions,

for warm family in Central Tel Aviv, immediate. Tel. 03-546-8313, 050-344-058.
IMMEDIATE JOBS AVAILABLE, friendly families, best conditions, the agency with a heart for the AU Pairs. Call Hirma. Tel. 03-9669937.
AU PAIR-2 MONTH old twins + ages 6 & 8, separate apartment, top pay. Tel. 03-534-8094.
ENGLISH- SPEAKING AU Pair, part-time, afternoon hours in Tel Aviv area. Tel. 03-842-7775.
FINNISH AND DANISH speakers wanted! High salary! Call Michael. Tel. 03-575-8258.
IMMEDIATE! IN BANK, telex/swift operator, English, permanent. Tel. 03-516-4933.
SITUATIONS VACANT
SHARON AREA
HOUSEHOLD HELP
HOUSEKEEPER, LIVE - IN + cooking. Children -12, 21 years in Herzliya Pituah. Tel. Gila. 03-651-3935.
AU PAIR, LIVE-IN, English speaking in Herzliya. Tel. 09-500-432.
OFFICE STAFF
HERZLIYA PITUAH, PART-TIME secretary. T.V. company, English fluency. Tel. 03-810-6866, leave message at 46639.
SALES/RENTALS
REAL ESTATE
AT THE ACCADIA HOTEL
HERZLIYA PITUAH
SPECIAL SALE OFFERS
● Herzliya Bet. Fantastic sea view apartment. Bargain! \$310,000
● Spacious apts. at "The Crest", "Rosemarin Court" & others
● Herzliya Pituah Houses from \$700,000
RENTALS
● Variety of Houses and Flats - Furnished/Unfurnished
09-571511

SITUATIONS VACANT

SHARON AREA
SALES
NETANYA BEACH
for Sale
Last few apts. 4 & 5 rooms with sea view. Highest standard. Occupancy Spring 1997.
ANGLO-SAXON Tel. 09-616716 or 052-423958
SITUATIONS WANTED
JERUSALEM
HOUSEHOLD HELP
COMPANION AND CAREGIVER for elderly, multilingual religious woman will accompany you to the doctor etc. Tel. 02-5711572.
PURCHASE/SALES
General
COMPUTERS
LAPTOPS TOSHIBA IBM Compaq, large quantities. Tel. Ramat/USA 03-536-2415. Email: nmakosare@mail.telsat.org
FOR SALE
1996 NEW HONDA Civic, appliances, electronics, furniture, etc. Everything new. Tel. 03-605-1464.
3 T.V. ANTENNAS, YOUNG dish 2. European dish 3) Israel standard. Tel. 02-421-873.

PURCHASE/SALES

JERUSALEM
FOR SALE
YARD SALE - TALBIEH, \$9-\$9, 10:00-17:00. Bedding, books, clothing, rug, electrical appliances. Chovel Zion 967 Talbiel.
GEFILTE FISH - DO-IT-YOURSELF with Degliciatse's fresh, no skin, no bones ground mixture. Tel. 02-611488 (day), Telex: 02-567-0908.
PERSONALS
General
MATRIMONIALS
ATTRACTIVE RUSSIAN WOMEN... ested in gentlemen for marriage/ship, throughout country. "Contact International". Tel. 03-5245801, 03-982767.
VEHICLES
General
PASSPORT
CHEVROLET CAMARO, 1985, 7,000 miles, excellent condition, automatic, alarm. Tel. 052-420755, 5253340.
VEHICLES
Jerusalem
UNRESTRICTED
ARIE PALOGUE - QUALITY cars buying, selling, leasing, trading. Tel. 02-6223755, 050-240977.

INTERN WANTED

The Jerusalem Post Internet Edition is look for a lively responsible intern. Morning work involved. Knowledge of the Internet required. Tel. Derek or Nina, Tel. 02-531-5603

comes a sign that is almost too portentious to be a few nights ago, an enormous flight of black-

num coal cars gleaming in the last of the light regular mail in...

